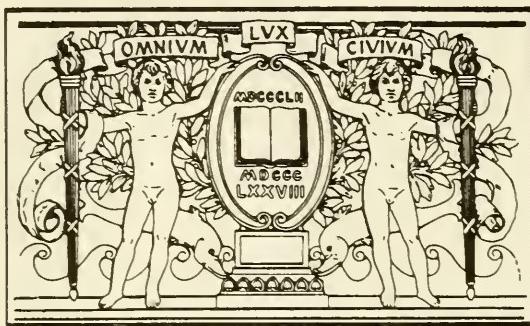


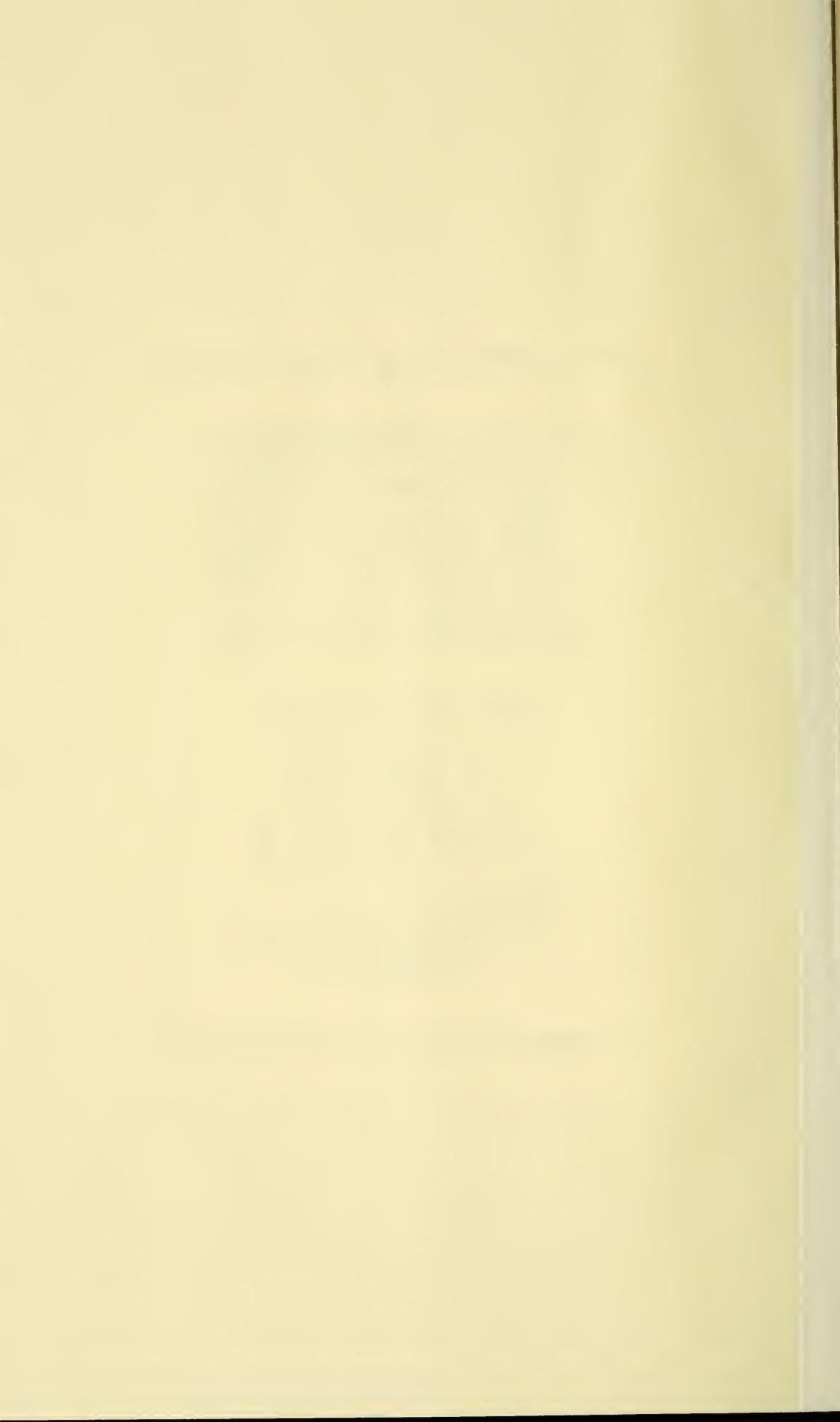
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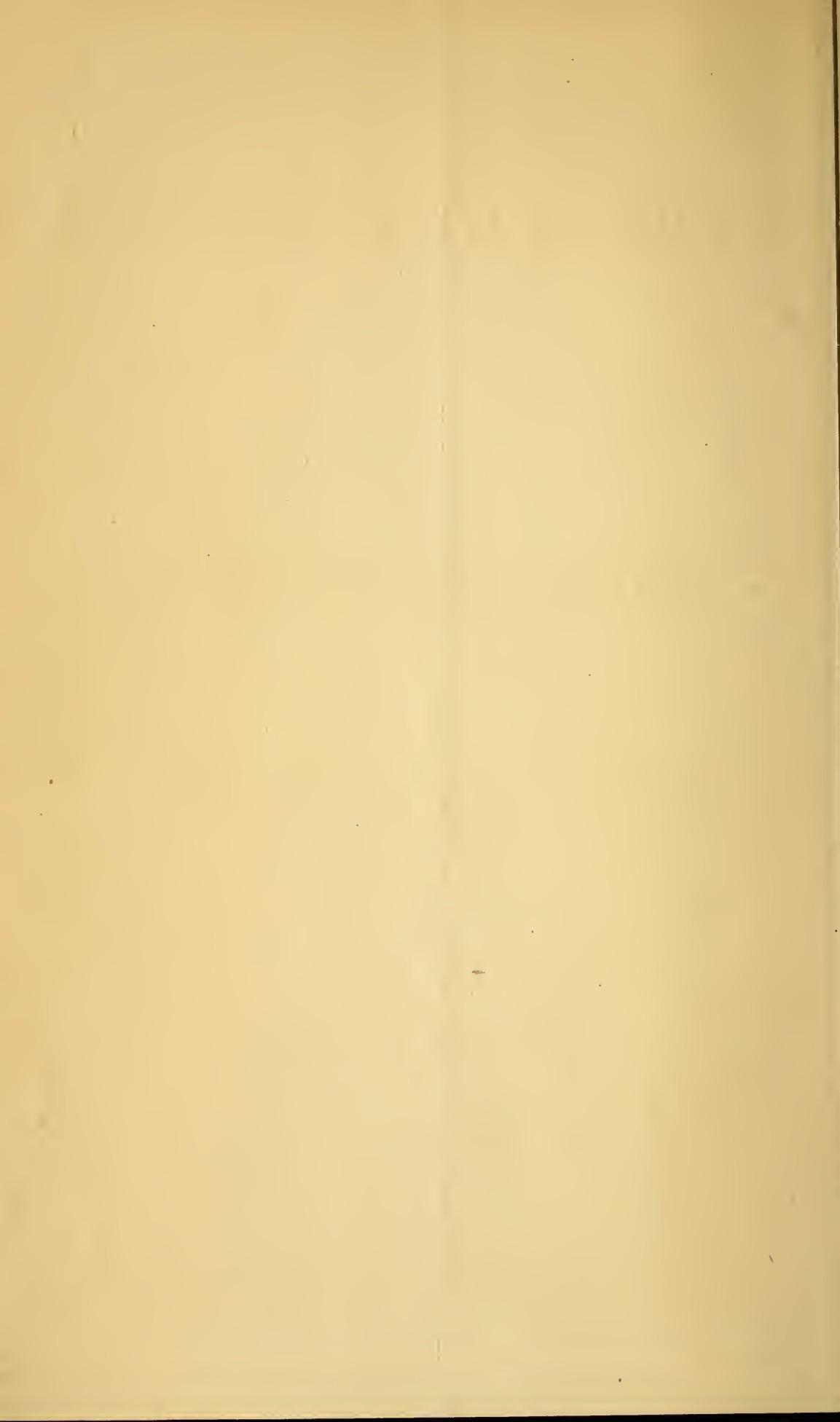
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THE

REPUBLIC OF MEXICO

AND ITS

AMERICAN CREDITORS.

THE UNFULFILLED OBLIGATIONS OF THE MEXICAN REPUBLIC TO CITI-
ZENS OF THE UNITED STATES, FROM WHOM IT OBTAINED
MATERIAL AID, ON CREDIT,—THE NATURE
AND EXTENT OF THAT AID.

BY HERMAN STURM.

INDIANAPOLIS:
DOUGLASS & CONNER, PRINTERS.

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PREFACE.

During the years 1865-'66-'67, the Government of the Mexican Republic, in the darkest hours of the struggle in which it was then engaged for the recovery of the Independence of that country and the overthrow of the Empire, which the Emperor of the French, taking advantage of the civil war then occupying the entire attention of the Government of the United States, had forced upon the unwilling people of Mexico, sought and obtained from the citizens of this country, and on credit, much valuable and essential material aid for that cause.

This assistance was rendered that Government because of our sympathy with its cause, and under its solemn pledges to pay according to contract these creditors for the aid so obtained. These pledges, as the present volume will show, have been violated by the restored Government of the Mexican Republic; and all efforts by these indulgent and liberal creditors to obtain payment of their claims have, up to the present time, been futile. Indeed the Mexican Government has so clearly disclosed a deliberate purpose to defraud these creditors, that they cannot longer expect to obtain justice from that Government without the assistance of their own Government.

To solicit such assistance is the purpose of these creditors; and the present publication is made with the design of acquainting the people and authorities of the United States with the merits of their case—how and under what promises and pledges the Mexican Government sought aid of the citizens of the United States; how and to what extent they furnished aid to that Government, on credit; and how all efforts to secure a fulfillment of their contracts with that Government have been unavailing.

At a recent meeting, in New York city, of a large number of the above described creditors, it was resolved to take decisive steps for

the purpose of obtaining satisfaction of their claims against Mexico through the intervention of the Congress of the United States. As chairman of that meeting, I was authorized and directed to take such action as was best calculated to secure the object of the meeting. To this end, I recently addressed to General H. Sturm, of Indiana, who was agent of the Mexican Republic in this country, and through whose efforts was obtained for the cause of that Republic the aid for which payment has been so long and fruitlessly sought, the following letter:

OFFICE OF HERMANN BOKER & Co.,
No. 50 CLIFF STREET.
NEW YORK, November 2, 1869.

My Dear General: It is now clear to the minds of impartial men that the treaty (which both you and Mr. Romero assured us would be the means of bringing about a fair settlement of our claims against Mexico) recently concluded between the Governments of the United States and Mexico is a *fraud* upon American citizens, and that no creditor whose claim is based upon contract can be benefited thereby. On the contrary, it seems the treaty was drawn (or, at least, is to be so construed) for the special benefit of Mexico, and decidedly against the interests of American citizens; and at a meeting held in this city on the 29th of October, it was resolved to memorialize Congress on the subject of a settlement of our claims against Mexico.

With this in view, and as you were the agent through whom we (the memorialists) were induced to trust Mexico, we now beg of you to write a statement setting forth clearly and fully the powers and authority conferred on you by the Mexican Government, under which you acted as its agent; relating also how, and in what manner, and under what promises, you obtained aid from citizens of this country in behalf of Mexico; the nature and value of the aid thus obtained; and also how the Mexican Government has disregarded the many requests for a settlement of its indebtedness to citizens of this country.

Be pleased to state particularly (if you can do so consistently), the utter destitution of that Government, both of means and credit; and especially the many efforts made by it to obtain supplies in this country; all of which failed *until we came to its rescue.*

Please state fully what connection the Mexican Minister, or other Mexican authorities, had with your endeavors to obtain aid for their country here, and how far they urged you on, or approved your acts, etc., etc.; and, finally, how the Mexican Minister has since held out to American creditors the idea that all their claims would be arranged by the Commissioners provided for under the treaty.

At the time you acted as the Agent of the Mexican Government, you repeatedly assured us that you would, at any time, whenever necessary for the interests of your friends, who trusted Mexico only upon your representations, furnish us copies of your authorizations, and such other proofs as might be necessary for a settlement of our claims against that Government, and render us all the aid in your power; and I have no doubt you will do so now. And as you are, yourself, a creditor of Mexico to a large amount, it will be well for you to state how that Government has refused to do justice even to you.

If the facts, which are at present but little known to the public, be published to the world, I have no doubt that our Government will speedily devise means by which full justice shall be done to us all.

With kind regards, I remain,

Yours very truly,

HERMAN FUNKE,

Chairman of Committee.

To General H. Sturm, Indianapolis, Indiana.

To which General Sturm replied:

INDIANAPOLIS, November 6th, 1869.

My Dear Sir: Your letter of the 2d inst. has been received. Some friends in Cincinnati, who, like yourself and those for whom you speak, are long-suffering creditors of the Mexican Government, having some weeks ago requested me to prepare for publication a recital similar in its character to the one you have suggested, I was engaged in that work and had it nearly completed at the time your letter came to hand. Of the greater portion of this narration, I herewith send you proofs. I hope it will answer your purpose, although written before your request was received. Should it become necessary for your interests, I will at any time produce the original documents, letters, etc., referred to by me in the enclosed statement, as well as many others which I have not deemed it necessary to mention therein.

It has been to me an exceedingly unpleasant task, I confess, to thus accuse of ingratitude and bad faith a Government to which, as I can truly say, I have been a friend in need, and that I faithfully tried to serve; but I fully agree with you, and your friends, that it is necessary now, and is not only a duty I owe to you, but to the world, that I should publish all the facts in this connection. The Mexican Government had it in its power, by faithfully keeping its pledges to citizens of the United States, to contradict the charges so often made, regarding its character for treachery and want of good faith; but has seen fit to completely prove all the statements I and other friends have repeatedly made in its favor to have been erroneous, and based upon an utter misunderstanding of its true character.

In regard to the treaty to which you refer, I can only say that in my opinion it is entirely inadequate and decidedly unjust to American citizens. The rules of the Commission appointed under its provisions are especially onerous and difficult, and in many cases impossible to be complied with.

There is no reason why the Mexican Government should not be compelled to settle its just debts to citizens of this country. It is true, that Government is in a state of chronic impoverishment; and equally true, that it will remain so as long as it is allowed to mismanage its affairs to the detriment of its own people and of the whole civilized world.

When the Government of the United States, true to its long established principles, interfered in behalf of Republican Mexico, as against the establishment there of a Monarchical Government by European powers, it, also, at the same time, assumed an important responsibility to the nations of the world, and especially to the just creditors of Mexico; and it is the duty of our Government not only to require that its citizens shall be fairly dealt with by Mexico, but that a Government shall be established there capable enough and honorable enough to turn the immense resources of that country to good account, and especially that will furnish

the same protection to citizens of this country who may choose to engage in commercial enterprises in that country, as is secured to citizens of Mexico in our country.

The untold wealth of Mexico, both agricultural and mineral, if properly developed by an industrious, energetic people like ours, would in a few years pay off the entire debt of that country, under the direction of a Government of sufficient capability and honesty of purpose to administer the affairs of that country to the benefit thereof.

In conclusion, allow me to say, that I will cheerfully co-operate with you in any measure having for its object, the attainment of the results sought by you, as indicated in your letter.

In haste, yours truly,

H. STURM.

To H. Funke, Esq., Chairman, etc.

The statement referred to by General Sturm in the foregoing letter is respectfully submitted in the following pages.

H. FUNKE.

NEW YORK, November 11th, 1869.

STATEMENT OF GENERAL HERMAN STURM.

RELATES THE ORIGIN OF MY CONNECTION WITH THE MEXICAN GOVERNMENT, AS THE AGENT THEREOF IN THE UNITED STATES.

In the month of April, 1865, in the city of Washington, D. C., I met General Lewis Wallace, of Indiana, who informed me that he had just returned from the Rio Grande, where he had formed the acquaintance of General Jose M. J. Carvajal, Governor of the Mexican States of Tamaulipas and San Luis Potosi, who had come to this country with him, clothed with authority to obtain material aid for his government in overthrowing the Empire foisted upon Mexico by the Emperor of the French, and expelling its foreign invaders.

General Wallace described to me the great need of the Mexican Government of efficient material for conducting the war—General Carvajal having even been reduced to the necessity of training troops with bows and arrows—especially the want of efficient officers, having a proper knowledge and experience of military duties, of manufacturing munitions and taking care of them; that General Carvajal had solicited his assistance in obtaining, for the Mexican service, American officers possessed of the requisite skill, experience and interest in the cause; and that he (General Wallace), in consideration of his knowledge of my antecedents and the character of the services I had rendered my government during the late war in this country, as well as my well-known sympathy with the Mexican Government in its endeavors to extirpate the Monarchy sought to be established there by European Dynasties, and so restore the Government of the Mexican people,—had assured General Carvajal that he would use his best exertions to induce me to aid the Mexican Republic in the manner he desired.

General Wallace assured me that General Carvajal's powers from his Government were ample, the propositions he would make, honorable, and the inducements he would offer, fair and liberal. He then introduced me to that officer, who confirmed what General Wallace had said to me, as above stated, and after explaining the necessities and desires of his Government, urged me to accept his propositions; which I, at the time, considered liberal, and agreed to favorably consider. The result was that I expressed my willingness to accept his propositions, provided I should succeed in obtaining the consent of Governor Morton to my resignation of the position of Chief of Ordnance for the State of Indiana, on whose staff I was then serving in that capacity.

General Carvajal then proceeded to unfold more in detail the objects of his mission. His Government desired to obtain the aid of an American auxiliary force of ten thousand men, who would be willing to go to Mexico as emigrants, there to be formed into military organizations, representing the different branches of the service—infantry, artillery, cavalry and engineers—such emigrants to assemble somewhere on the Rio Grande, and thence join the Army of Mexico; and he wished me to take charge of the responsibility of providing all the munitions and supplies for such auxiliary army corps, as well as for whatever Mexican troops might be added to this force; the strength of which force, thus contemplated to be provided for, it was anticipated would be about as follows: forty thousand infantry, three thousand cavalry, fifteen batteries of artillery, and an engineer corps of two thousand men.

In speaking of these plans and his hopes founded on them, General Carvajal expressed the expectation that within the period of three months from that time, we should have obtained the desired number of emigrants, with the munitions for equipping the force, and have the same on Mexican soil. In addition to the duties already entrusted to my performance, and for the simplification of the enterprise—as well as to secure the desired secrecy—General Carvajal requested me to take the general charge of providing for all the emigrants that might be engaged, previous to dispatching them to Mexico, to provide means for their transportation there, and on their arrival on Mexican territory, he further desired that I should take charge of the Ordnance Department of his District, and direct the construction there of an extensive arsenal, to be devoted to the manufacture and repair of arms and other munitions; and

promising that I should permanently retain this position of Chief of Ordnance, with the full rank and pay of Brigadier General after the close of the war. He assured me that the funds necessary for putting these extensive plans into execution would, in a short time, be in readiness, having received what he considered reliable promises that a loan he was authorized to negotiate could be readily placed.

After communicating with Governor Morton on the subject, I obtained his consent to accept my resignation of the office of Chief of Ordnance for Indiana, whenever it should be necessary for me to relinquish that trust; and, on the 1st of May, 1865, I advised General Carvajal of my readiness to accept his proposition, on the conditions and in consideration of the inducements named by him.

THE ORIGINAL AGREEMENT OF THE MEXICAN GOVERNMENT WITH ME.

His covenant with me for and on the part of the Mexican Government, is as follows:

" This agreement, made at Washington City, D. C., U. S. of America, this first day of May, 1865, between General Jose M. J. Carvajal, Governor of the States of Tamaulipas and San Luis Potosi, acting for the said States and the United States of Mexico, and General Herman Sturm of Indiana, witnesses: That said General Carvajal hereby engages said Sturm as Agent of the Mexican Republic, for the purchase and shipment of all material necessary for the prosecution of the war against the French; also as Secret Agent, to raise and transport emigrants from the United States to Mexico; and generally to aid the cause of the Mexican Republic, by all means not in violation of the laws of the United States of America. Said General Carvajal agrees to pay to said General Sturm for his said services and personal expenses in and about the same, while in the United States, according to written orders to be given him separately, and which are not to exceed, say, twenty thousand dollars, nor be less than ten thousand dollars in United States currency.

" At the close of the war, said Sturm is to have a position in the Ordnance Department, within the military command of the said General Carvajal, in Mexico, and be charged with the building of arsenals, and the manufacture of ordnance, and everything pertain-

ing thereto, with the rank and pay of Brigadier-General in the Mexican army.

"General Sturm on his part agrees, for and in consideration of the above and other covenants and agreements to be kept and performed by the said General Carvajal and the Mexican Government, to resign his position as Brigadier-General and Chief of Ordnance of the State of Indiana, and give his whole time and attention to the interests of Mexico, placing himself, for the purpose, under the orders of the said Carvajal and the Supreme Government of the Republic of Mexico.

"To enable the said Sturm to carry out the plans which may be formed in this connection, he shall select such officers as may be necessary to him in the business; and to secure their services, the said Sturm is authorized to promise them, in case they emigrate to Mexico, positions and salaries equivalent to those last held by them in the service of the United States Government or the State service, or held by them at the time of their engagement.

"Said Carvajal also agrees to furnish, or to place at the disposal of said Sturm, all the funds necessary for the fulfillment of his contracts for arms, material, etc., as well as for the inspection and transportation of the same, and of the emigrants he may succeed in engaging, while they remain on duty in the United States, and until their arrival in Mexico. And the better to make the efforts of the said Sturm successful in overcoming *all* difficulties, the said Carvajal further agrees to place at the disposal of said Sturm the necessary funds, when it shall be in his power so to do; the same to be in his hands a "Secret Service Fund," to be used at his discretion, to gain sympathy, opinion and action in behalf of the Republic of Mexico, in the United States.

"It is further mutually agreed between the contracting parties, that this agreement shall be held strictly confidential, never to be shown or exposed unless specifically called for by General Carvajal, or the Mexican Government; or unless rendered necessary for the protection of said Sturm.

"In witness whereof, the parties hereto have interchangably set their hands and seals, the day and year above written. [SEAL.]

(Signed), "JOSE M. J. CARVAJAL,
Governor of the States of Tamaulipas and San Luis Potosi, and
Agent for the Mexican Republic."

(Signed,) H. STURM. [SEAL.]

MY POWER OF AUTHORITY FROM THE MEXICAN GOVERNMENT.

Since this agreement, for obvious reasons, was of such a nature that it could not judiciously be made public, or produced by me as an evidence of my authority, in my negotiations with others while endeavoring to carry out its objects; General Carvajal, for the purpose of facilitating my efforts and attesting my authority whenever necessary, gave me a power of authority, (as he termed it,) which was as follows:

“To whom it may concern:

“Being well assured that General Herman Sturm, of Indiana, has all the requisite qualifications to perform the duties hereinbelow specified, this is to certify, that the undersigned (having full authority so to do, by virtue of certain Supreme Orders, to me issued by Benito Juarez, Citizen President of the Republic of Mexico) has, this first day of March, A. D. 1865, appointed and commissioned the said Herman Sturm my lawful agent, for me, and in my name, place and stead, to do the things following, to-wit:

First, “To contract for and purchase the Ordnance and Ordnance stores contained in a printed invoice marked “A,” and made a part of this instrument.

Second, “To contract for and purchase Quartermaster’s Stores, including transportation, as per printed invoice herewith attached, and marked “A.”

Third, “To contract for and purchase Commissary Stores, as per printed invoice herewith attached, and marked “A.”

Fourth, “To purchase or charter six steamers, at least three of which shall be constructed or altered in such manner as to be able to ply on the coast of the Gulf of Mexico, and on the western rivers of the United States.

Fifth, “As incidental to the foregoing authorities, the said Herman Sturm is further empowered to appoint all subordinates, officers and agents, and contract with such boat captains and crews as may be necessary, in his opinion, to execute the objects contemplated; all of which are well known to him and to the undersigned, and General Lew. Wallace of the United States Army.

Sixth, “All appointments, contracts and shipments which the said Herman Sturm may make, under and by virtue of this instru-

ment shall, in my absence, be by and with the approval of the said Major General Lew. Wallace.

Seventh "Said Herman Sturm has full instructions and authority to arrange for the payment of such obligations as he may contract under the foregoing authority.

"SOTO LA MARINA,
STATE OF TAMAULIPAS, REPUBLIC OF MEXICO, }
Dated March 1st, 1865. }

(Signed) "JOSE M. J. CARVAJAL, [SEAL.]
Governor of the States of Tamaulipas and San Luis Potosi, acting
for said States and the United States of Mexico."

To this power of authority the Mexican Consul-General at New York subsequently attached the following certificate:

"The undersigned, Consul-General of the Mexican Republic in the United States of America:

"I do certify, that the signature authorizing the foregoing document, is that of General Jose M. J. Carvajal, of the Army of the Mexican Republic, Governor of the States of Tamaulipas and San Luis Potosi, and duly authorized Agent for the Constitutional Government of the Republic, under the Supreme Orders of the 8th and 12th of November, 1864, issued in accordance to law.

"Done under my hand and seal at my Consular [CONSULAR] Office, at the city of New York, this 5th day of June, [SEAL.] 1865. (Signed),

"JUAN N. NAVARRO."

The authority of General Carvajal was subsequently still further attested by Senor Don M. Romero, the Mexican Minister Resident in Washington, of whose certificate the following is a true copy:

LEGACION MEXICANA
EN LOS
ESTADOS UNIDOS
DE
AMERICA.

"The undersigned, Envoy Extraordinary and Minister Plenipotentiary from the United Mexican States to the Government of the United States of America, do hereby certify that General J. M. J. Carvajal, of the Mexican Army, is the Governor of the State of Tamaulipas of Mexico, appointed by the National Government of the Republic; and that he was authorized by his government, under date of November 12, 1864, to make contracts for the purchase of arms and munitions of war and negotiate funds, under the terms and condi-

tions and with the powers therein specified; *and that any contract or purchase that he will make in pursuance of and in accordance to said instruction will bind the National Government of Mexico and the public faith of the country.*

“Done in the city of Washington, this 7th day of June, in the year 1865.

(Signed),

“M. ROMERO.”

It will be perceived that the foregoing instrument is dated as if issued in Mexico; the object of so dating it being, as General Carvajal and General Wallace explained, to avoid the possible difficulties or embarrassments that might result, should the existence of such a document, dated in the United States, come to the knowledge of the enemies of the Mexican Republic; and particularly, to avoid embarrassing Senor Romero, who had expressly cautioned General Carvajal to be circumspect on this point.

The printed schedule “A,” referred to in my letters of authority, is too lengthy to be inserted here; nor is that necessary. It is sufficient to remark, that it was a detailed, complete list of the munitions and other articles required by General Carvajal, which I had prepared in printed form, and submitted on the first of May, 1866, for his approval, and which list, as will be seen hereafter, he subsequently returned to me approved and signed.

WHAT WAS MEANT BY THE FOREGOING AGREEMENT—THE QUESTION OF MY COMPENSATION, ETC.

At the time of the execution of the agreement of May 1st, 1865, General Carvajal (as I have before intimated, and which I now refer to more fully; as it has an important bearing on the question of my compensation for services in behalf of Mexico) told me that it was the intention, which I was expected to accomplish, to have all the needed military stores in readiness for shipment to Mexico within the next three months; for the accomplishment of which the requisite funds should be provided and placed at my disposal in due season: proceeding to state, that as my rank and pay of Brigadier-General in the Mexican Army could not (by reason of the neutrality laws) commence until after my arrival in Mexico, and as the consummation of this vast work in so brief a period would necessarily involve great expense, he agreed to allow me an adequate sum—not less than ten thousand nor more than twenty

thousand dollars,—which allowance, as will be seen from the agreement, it was distinctly understood was to be in compensation for my personal services and expenses *during the time I was expected to be occupied in the United States*—which it was then anticipated would be about three months. I may also mention here, that before entering into the written agreement with General Carvajal, I assured myself that in thus aiding the Mexican Government, I would not be violating any law of my own country, nor acting contrary to the sympathies of my Government.

OVER-SANGUINE EXPECTATIONS OF GENERAL CARVAJAL.

The expectations of General Carvajal and the other Mexican officers about him were so sanguine, and so confident their anticipations of obtaining without delay the necessary funds to put his designs into immediate and successful execution, that I, who was not familiar with their financial projects, implicitly relied on their representations, convinced as I was of the sufficiency of General Carvajal's authority.

I BEGIN MY DUTIES AND ENGAGE ASSISTANTS.

I proceeded at once to the execution of the various duties intrusted to me. I engaged the services of a number of agents, whom I sent to different parts of the country, to aid me in carrying out the general plan; myself visited the principal cities, where I made the requisite arrangements for procuring and shipping supplies to the Mexican authorities, as well as instituting the necessary preparations and engagement for transporting to Mexico, *via* the Mississippi river and Brazos, Texas, such emigrants as might be secured.

SUCCESS.

Success in the ultimate object had to be preceded by enlisting sympathy in the cause; and by the first of August in the same year, by the aid of General Wallace and other influential friends, I had been successful in enlisting the friendly interest and influence of many citizens of this country, who had lately been officers in the Army of the United States, to whom I had made the propositions authorized by General Carvajal, and who had expressed their readiness to go to Mexico, there to actively engage in the cause of the Republic.

ATTENDANT EXPENSES DEFRAYED BY ME.

The expenses incident to labors of such a description were necessarily large, but I raised the money to defray them without hesitation or doubt of reimbursement; for I implicitly trusted in the Mexican Government, that it would honorably fulfill its pledges made through its authorized representatives, and especially its solemn obligation to remunerate me for my labor and expenditures in a service so intimately affecting the welfare of Mexico.

GENERAL CARVAJAL'S ARRANGEMENTS FOR EFFECTING A MEXICAN LOAN.

On the 5th of August, I arrived in New York, in obedience to a dispatch from General Carvajal. He assured me that his efforts to obtain funds were progressing favorably, and in a few days all the means I required would be at my disposal; which, he incidentally stated, had been promised him by "a very wealthy Company," who had undertaken the negotiation of a loan of \$50,000,000, predicated on the bonds of the Mexican Republic.

The "wealthy Company" referred to, I ascertained to be, "The United States, European and West Virginia Land and Mining Company," with one Daniel Woodhouse as the purported Secretary thereof, on which concern he gave me two drafts—one for \$20,000 in Mexican bonds, to defray certain incidental expenses—such as printing, advertising, etc.; the other, for \$1,500,000 in United States currency, to reimburse myself for moneys I had advanced, and to meet obligations due or likely to accrue in the immediate future. At the same time, he assured me that in a few days another sum should be furnished that would enable me to settle all the contracts I had made.

UTTER FAILURE OF GENERAL CARVAJAL'S FINANCIAL PLAN.

I presented the drafts at the office of the above named Company, which I soon perceived to be at least an unreliable concern, and which stricter investigation proved to be a bubble corporation—in short, an unmitigated swindle—its resources fictitious—its pretences a fraud. The names of respectability and influence representing the officers of the pretended company, and so pretentiously paraded in their prospectus and announcements, had been so employed without permission or consent; they denied any knowledge of even the existence of such a concern: and it was apparent that General

Carvajal had been made the victim of a parcel of speculative rogues.

A CRISIS.

Thus the whole fabric of Mexican credit constructed by General Carvajal, and on which I had been depending, collapsed ; and I perceived that the further prosecution of the designs formed to send assistance to Mexico must be suspended, until reliable arrangements could be made for raising funds. The embarrassments of my position it would not be difficult to imagine. Leaving out of the question the funds I and my friends had already advanced to speed the cause—how were engagements already made to be met ? How pacify creditors with whom contracts for stores had been made ; who had already incurred more or less outlay in preparing their goods for delivery ; and who certainly had well grounded claims for damages from me ? How dispose of the considerable number of emigrants whom we had induced to listen to our propositions, and who would expect us to fulfill our promises ? In a few words, how preserve my own good name, by meeting the engagements I had made ; and how preserve the enterprise from ruin, and the cause from ridicule ?

Such were the questions pressing me for answers. I, of course, lost no time in explaining to General Carvajal, the true nature of his critical position, and urging the necessity of engaging, if possible, without delay, a responsible house to act as financial agent for his government. Then it was that General Carvajal apprised me fully of the difficulties and embarrassments of his position ; and I was made aware of facts of which I hitherto had been ignorant, and which increased the obstacles to success that already seemed well-nigh insurmountable. I now learned to my surprise that General Carvajal, in addition to being destitute of Government funds, had long since exhausted his private means ; and that, ever since their arrival in this country, he and other Mexicans with him had been supported by means of funds furnished them by General Wallace and, I believe, one other American officer. I also learned that the Mexican Legation in this country was so poor as to be compelled to resort to all sorts of shifts and contrivances, in order that funds might be obtained to pay even the most necessary expenses connected therewith ; and, further, that the Mexican Government—driven to the furthest corner of the Republic—was unable to furnish the slightest aid to its refugees in this country,

(prisoners of war lately returned from France), some of whom were then in absolute want of food in New York, and unable to obtain any employment.

THE EXTREMITIES OF THE MEXICAN GOVERNMENT AND OF ITS AGENTS
IN THIS COUNTRY.

This was not all. General Carvajal, fully persuaded that he should be successful in raising funds in this country, had induced a considerable number of ex-officers of the United States Army to accept his propositions to serve in the cause of his country, with whom he had made engagements. These men were, at this time, in New York, Boston, and other places, waiting for transportation to Mexico, and their debts, in the matter of hotel bills and other necessary expenses, already amounted to a large sum: which they expected, of course, to be provided for by General Carvajal, who, owing to the utter failure of his financial plans, had neither funds at his command nor means of raising them. Most of the Mexican officers and refugees then in the United States were dependent for their pay on this officer's success in negotiating a loan, which was now badly in arrears, and absolutely necessary for the liquidation of the personal expenses they had incurred. General Carvajal, himself, had necessarily incurred a large indebtedness, in various ways, which, as a matter of course, must be discharged. Indeed, it was perfectly obvious that the Mexican cause in this country was in a lamentable crisis, and that if the existing state of affairs was not speedily remedied, the disagreeable facts would be brought to the knowledge of the public; when the bubble of Mexican credit would burst, and failure and disgrace attend the measures that had been instituted to obtain assistance in the United States.

HOW I WAS PRESSED TO ASSIST THE MEXICAN GOVERNMENT.

That these disclosures were a rude surprise to me who can doubt? That I was much discouraged, and even tempted to abandon what I had undertaken, was natural. But this disposition was only temporary; and when General Carvajal, (in the presence of General Wallace and prominent Mexicans then in New York, *nearly all of whom are, to-day, holding important positions of trust and profit in the civil and military service of Mexico,*) recounted

ed to me his troubles, how he had been deceived and imposed upon by Woodhouse & Co.—the distressful predicament of his people and Government,—his deep affliction at his country's peril and distress at his own embarrassed situation, moved me to strong sympathy: and when he and his Mexican associates implored me not to forsake them, I yielded to their pressing importunities, and resolved, in the full belief that I should ultimately succeed, to hazard my means, time, and services in the support of a cause made noble by such defenders as General Carvajal, having all faith that no Government capable of an aspiration for an honorable name among nations could prove so base and contemptible as to violate its solemn pledges to a friend in another land, who, in the crisis of its national life, was risking his all in behalf of a country not his own.

Since there was no question regarding General Carvajal's authority to represent and act for the Mexican Government, under the commission with which he came to this country—it having been attested by both the Minister and Consul General of his country in the United States—and as most of his countrymen who joined with him in endeavoring to induce me to aid their cause had filled some of the highest positions under the Mexican Government, (Senor Zarco, for example, who had been Minister of Foreign Affairs,) their assurances that their Government would not only keep its engagements with me, but be eternally grateful besides, were entitled to credence, and I determined to do what in my power lay in behalf of their country.

EFFORTS IN BEHALF OF THE MEXICAN CAUSE.

My first efforts, since there was no prospect of soon realizing funds from the sale of bonds, were necessarily directed to appeasing those who had been engaged as emigrants, and were now waiting for the promised free transportation to Mexico; to make satisfactory terms with the parties from whom I had purchased munitions and stores; and by all available means and instrumentalities, first to conceal from public knowledge, and as soon as possible to remedy, the deplorable situation of our enterprises and the Mexican cause, which needed only to come to the knowledge of the enemies of that cause to be employed to its incalculable detriment. This result I accomplished with no other pecuniary resources than my own means, and such assistance as I could prevail on my friends to afford.

EFFORTS TO MANUFACTURE CREDIT FOR MEXICO.

I also lost no time, nor spared effort, in striving to enlist the sympathy and gain the aid of wealthy citizens of New York in behalf of Mexico; but to so low a state had the credit of that country sunk, so bad its reputation for reliability, so disordered its finances, and dubious its prospects, that I obtained but little sympathy in its behalf, and no aid. Indeed, I generally received from those I thus approached, at that time, one of two responses: either ridicule of the cause, or unflattering predictions that the present government of Mexico, like its predecessors, as soon as its supremacy should be restored, would not keep its pledges to me, and that I would in the end receive from it only ingratitude for my services—prophecies which, I regret to admit, time and events have proven true.

While thus engaged in the work of rescuing the cause from its dilemma, and in endeavoring to establish a financial basis that could be relied upon, I introduced to General Carvajal Messrs. J. W. Corliss & Co., a prominent house in New York city, whose acquaintance and confidence I enjoyed, and who had promised to aid me in my efforts; after which, perceiving that nothing further could, for the present, be accomplished in New York city, I proceeded to the West, where, assisted by numerous friends, I labored to bring the cause into good repute and create a popular interest in its success. I was thus occupied when, at Indianapolis, on the 28th of August, I received the following letter:

A DISTINGUISHED MEXICAN STATEMENT OF THE PREDICAMENT OF THE
MEXICAN CAUSE.

[Confidential.]

“NEW YORK CITY, August 25, 1865.

General: I cannot longer conceal from myself and friends, that the so-called ‘United States, European and West Virginia Land and Mining Company’ is a fraud, and its agent, Woodhouse, a swindler. Accordingly I have thrown them off.

“My labors and hopes in that direction are, therefore, lost, the cause of my poor country retarded, and new embarrassments thrown around it. Yet I do not despair. In view of the arrangements made by you and General Wallace with other parties, I consider it only a duty to at once apprise you of the unfortunate and (to me personally) bitter disappointment, that you may take such action as may be necessary to satisfy and appease all with whom you have contracted, or may now be in negotiation.

"It is of the highest importance that the good faith and name of my Government be not brought into contempt and ridicule by public exposure in the courts or newspapers. This new aggravation makes my mission more difficult than ever. That mission, as you know, is to procure material assistance for my country, whose condition is gloomy beyond description.

"Two facts, alone, almost crush us: our enemy is the most powerful in the world, and actually holds our cities and the forts from which we chiefly derive our revenue; and the head of our Government, with his Cabinet, is in the corner of the most distant State of the Republic, without money, or credit, or army—facts well known to the people of the United States, and calculated to influence every intelligent and prudent man to whom you may address yourself.

"My powers are very great—drawn, evidently, in view of the condition alluded to. They contemplate a necessity for extraordinary sacrifices, and seem to require them of me rather than fail in my task. The responsibility is terrible. If I make the sacrifices, will the necessity be appreciated by my people? I will trust them, and leave results to God. What are millions, so they purchase the independence of my country?

"I am not surprised that you report it difficult to find contracting parties. Certain preliminaries heretofore neglected must now be attended to: thus, the sympathy, voice and influence of the most prominent men in the country must be gained; the Press must be on our side; above all, we must enlist in the cause the most active and untiring agents, *and if they should at the same time be agents of the United States Government, so much the better.* I desire you to proceed to do this at once. General Wallace will advise and co-operate with you. The great advantage of our enemy is that *he has money, and is spending it freely, while we have only promises to offer.* The sole method of equalization is to use our promises on the *most liberal scale.* With this view, I have signed, and now send you, the annexed agreement, which is intended to be taken as incidental to the agreement heretofore delivered to you in Washington, under date of May 1, 1865.

"Your conduct has inspired me with faith that this great trust, in which my name and character and the credit of my Government and people are so deeply involved, will not be betrayed. If, after reading this letter and the agreement, you are in doubt as to their

intent and meaning, come and see me in person : the nature of the business is of a kind that requires explanations to be exclusively verbal.

[Signed,]

“JOSE M. J. CARVAJAL.”

ADDITIONAL AGREEMENT WITH ME BY GENERAL CARVAJAL, ACTING FOR THE MEXICAN REPUBLIC.

The following agreement, as stated, accompanied the foregoing letter :

“ NEW YORK, August 25, 1865.

“To whom it may concern:

“WHEREAS, acting in conformity to my authority, and instructions from my Government, under date of the 8th and 12th of November, 1864, the undersigned, Governor of the States of Tamaulipas and San Luis Potosi, and Agent and Commissioner for and in behalf of the General Government of Mexico, is about to contract with the house of J. W. Corliss & Co., of the city of New York, for the negotiation of a national loan of \$30,000,000: In view of the funds expected to be raised or realized from the said contract and negotiations, and to enable General Herman Sturm, heretofore (to-wit, on the 1st of May, 1865,) by me duly appointed General Agent of my Government, with specified powers and duties, to successfully and speedily execute certain duties and offices mentioned in the letter of instructions to him directed and bearing even date herewith, *the undersigned hereby undertakes and pledges himself officially and in the name of the Mexican Government, to pay to him the sum of Half a Million (\$500,000) Dollars in United States currency, or its equivalent in bonds of the Mexican Republic at the regular rate;* to be used by the said Gen. Sturm as a “Secret Service” fund, and to guaranty any promise, contract, or arrangement which he may have already made, or may hereafter make, with any person or persons, in the effort to carry out the authority stated as heretofore given him as General Agent, and so forth: provided, that such promises or contracts shall always be in conformity with my instructions given to him.

“It is also understood between the undersigned and the said General Sturm, that the sum of Five Hundred Thousand Dollars, herein specified, is exclusive of any sum which may be used or placed at his disposal to buy arms, munitions, transportation, etc.; and that in the disposition of this half a million dollars of “Secret Service” fund, the

said Sturm is to be at liberty to make engagements, either in his own name or in that of my Government; and that for the disbursement of said fund, or any part thereof, he shall not be held to account by my Government, or by any person acting under its authority,—except to furnish, on my order or that of my Government, his statement of the amounts contracted by him to be paid under this authority; without any obligation on his part to give any names where important parties aiding the cause of Mexico might be injured.

"And in the event that no funds should be realized from the sale of bonds about to be undertaken by Messrs. J. W. Corliss & Co., or in the event of a failure to issue bonds of the Mexican Republic, the undersigned hereby agrees to and with the said Sturm, that the said Republic of Mexico shall owe and be indebted to, and liable to pay upon the demand of, the said Sturm, or his legal representatives, the said sum of Half a Million (\$500,000) Dollars in United States currency, as an indemnity to him for his engagements made to and with other persons, as contemplated in the letter of secret instructions of this date, and to secure to all such persons whatever promises and undertakings he may be required to make to and with them: as to which, no account, of proofs or vouchers, shall be required by my Government in the final settlement with said Sturm further than his own statement, as above required."

"In witness whereof, I have hereunto set my official signature, at New York City, this 25th day of August, 1865.

[Signed,]

"JOSE M. J. CARVAJAL,

"Governor of the States of Tamaulipas and San Luis Potosi, and Agent for the Mexican Republic."

This letter and accompanying agreement speak for themselves, and make it unnecessary for me to attempt a description of the cheerless prospects of the Mexican cause, and dismal predicament of its Commissioner in this country at that time. On the same day I received from General Carvajal another letter, also dated August 25, and inclosing the printed schedule "A," (above referred to in his power of authority to me,) of the Ordnance, Quartermaster's and Commissary stores it was desired I should procure and ship to Mexico. This letter was as follows:—

I AM DIRECTED TO PURCHASE CERTAIN MILITARY STORES.

" NEW YORK, August 25, 1865.

"General H. Sturm, Indianapolis, Indiana:

" SIR--I herewith return you the schedule of Ordnance, Quarter-master's and Commissary stores, which you, on the 1st of May last, submitted to me for approval. I have approved the same, and now desire you to proceed without delay to make the necessary contracts for such articles as are mentioned in this schedule; and in case you should be unable to obtain the kind of articles mentioned in the schedule, you are hereby instructed to purchase, instead, such other kinds of a similar article as you may be able to obtain; leaving it to your judgment and discretion to get the best and most suitable for the purpose it is intended for—which is fully known to you.

" You are also authorized to make such arrangements in regard to payment for these articles—either in United States currency or in Mexican bonds, or in both, according to the verbal instructions I have given you—as may in your opinion be most advantageous for my Government. In case payment is made in bonds, you are, under no consideration, to offer them at a lower rate than the *minimum* value of sixty cents on the dollar, in United States currency. A sufficient amount of money, or its equivalent in the bonds of the Republic of Mexico, (at the rate of sixty cents in currency for every dollar in bonds,) will be placed at your disposal whenever required by you for the purpose of promptly paying for all such articles as you may purchase under my instructions, and for meeting such other expenses as you may incur in the inspection, storage and transportation of articles purchased; and also to pay such agents, workmen, and other help as you may require in the prompt discharge of your duties.

[Signed,]

"JOSE M. J. CARVAJAL,

"Governor of Tamaulipas and San Luis Potosi, acting for said States and the United States of Mexico."

THE FINANCIAL CONTRACT BETWEEN THE MEXICAN GOVERNMENT AND
J. W. CORLISS & CO., OF NEW YORK.

Being advised by the last preceding agreement of General Carvajal with me that he was arranging a contract with the house of Corliss & Co., similar in its objects to the one previously concluded with Woodhouse & Co., I returned at once to New York

to obtain more particular information regarding this new contract, and the prospects of realizing funds thereby. On my arrival in New York, General Carvajal and Messrs. Corliss & Co. explained to me that a contract had been made between them, which was, in substance, that the former, acting for his Government, had authorized the latter to sell the bonds of the Mexican Republic, and Mr. J. N. Tiff, a member of the firm, had been constituted Financial Agent of the Mexican Government. Messrs. Corliss & Co. expressed the belief that under this new contract, by the aid of their extensive business acquaintance, sufficient funds would be realized in a short time to carry out the contemplated purposes, which had before so disastrously failed.

MEXICAN ASSURANCES, UNDER THE NEW FINANCIAL ARRANGEMENT.

I returned to General Carvajal, for cancellation, the two drafts he had previously given me on Woodhouse's concern, and received instead thereof two others, for like sums, on the house of Corliss & Co., dated September 12th, 1865; and was promised by Mr. Tiff that these drafts should be paid from the first funds that should come into his possession to the credit of the Mexican Government.*

I AM DIRECTED TO RESUME MY LABORS—MY POWERS FROM THE MEXICAN GOVERNMENT.

After full conference with General Carvajal, General Wallace, Mr. Tiff, and several prominent Mexican citizens then in New York, in whose judgment the former had confidence, it was decided that I should resume, with all possible energy, the execution of General Carvajal's plans, as contemplated in his letter to me of August 25th, 1865, *supra*. He directed me to proceed to those duties at once, stating at the same time, to all those present at the conference, that he had given me full instructions and vested me with plenary powers, in addition to my other duties, to act as Secret Agent of the Mexican Government, and that he had promised me the requisite funds to meet all the obligations I should incur in the discharge of my several duties.

*Assurances to the same effect were subsequently repeated to me at many times, and in the presence of various witnesses; and even as late as July and August, 1866, when—as I shall more particularly describe further on,—I despatched the first three cargoes of military stores to Mexico, Mr. Tiff assured not only me, but those from whom I had obtained credit for goods already delivered, or with whom I had made contracts, that these drafts would be duly honored.

A LAND GRANT.

As a reward for the many special extraordinary services of a secret nature I had already performed, and as an additional incentive to renewed exertions, General Carvajal, on the 21st of September, 1865, for and on the part of the Mexican Government, granted to me and my two brothers, who had been laboring with me in the cause, a patent for fifty acres of mining lands and one square league of agricultural lands of the public domain of Mexico, in the State of Tamaulipas or San Luis Potosi, and executed in due and binding form.

ENLISTING PUBLIC SENTIMENT IN BEHALF OF THE MEXICAN CAUSE.

Induced by these agreements and promises of the Mexican Government, I and my agents traveled from point to point, laboring to the best of our ability, and with much success, to awaken an interest in the cause of the Mexican people, and using every available instrumentality in our power to gain the favor and support of the organs of public sentiment—the newspapers, influential public men, and so forth.

FAILURE OF THE PROPOSED MEXICAN LOAN—FINANCIAL EXTREMITIES OF THE MEXICAN GOVERNMENT.

In October, 1865, the Financial Agency of the Mexican Republic in New York, was formally opened by Messrs. Corliss & Co., and its bonds offered for sale; and although this house extensively advertised the loan and strove to make it popular, the attempt was a complete failure; it found no takers; and success seemed impossible. In fact so low had Mexican credit sunk, and so trifling was the value attached to Mexican bonds at this time, that (as I can substantiate by many witnesses) some of the refugees of that nation were refused so paltry an article as a loaf of bread for \$500, and even \$1,000, in Mexican bonds, which they were constrained to offer, in the extremities to which they had been reduced for food. And during all this time, and up to the period of General Carvajal's return to his country, in May, 1866, I was obliged, out of my own means or such as I could obtain on my own credit, to provide for much of the personal expenditures of that officer and a number of other citizens of his country then in New York—in several instances, even food and clothing,—since no funds had yet been realized through the Financial Agency.

AN EXPRESSION IN FAVOR OF THE MEXICAN REPUBLIC BY THE INDIANA
LEGISLATURE.

I continued my exertions, and in December, 1865, succeeded in obtaining from the Legislature of Indiana an expression, in the form of a concurrent resolution of both Houses, reaffirming the principles of the Monroe Doctrine, and favoring the intervention of the United States in Mexican affairs, to the end that the Maximilian Empire might be disestablished, and the government of the people restored. This resolution of the Legislature of my State, with but one vote in dissent, was, I believe, the first expression of a legislative body in this country, advocating the intervention of the United States in favor of the Republican Government of the people of Mexico, as against the Empire sought to be established there by European Monarchical influences, was the precursor of similar action by other legislative bodies, and had a marked effect in arousing the people of this country from their inattention to a subject of such vital concernment to them as the establishment of an Empire in an adjacent Republic, by a foreign usurper, aided and upheld by foreign bayonets.

WHAT WAS DONE TO OBTAIN AID FROM THE GOVERNMENT OF THE UNITED
STATES DIRECT.

After pursuing my labors in various parts of the West I returned to New York in January 1866, for the purpose of carrying out a programme I had proposed to General Carvajal and General Wallace as early as August 1865, namely, to endeavor to obtain aid for Mexico directly from the Government of the United States, through Congress. To put this idea into form, the Financial Agent, Mr. Tifft, then suggested the particular plan of obtaining the guaranty of a Mexican loan by the United States; and on the 5th January, 1866, I went to Washington, for the purpose of co-operating with Mr. Tift in securing the consummation of this project, and in obedience to a written direction, as follows:

“NEW YORK, January 5, 1866.

“General:

“As yet no money has been realized from the sale of bonds, and my country being in the utmost need of money and means to defend itself against foreign aggression, it becomes necessary for us to invoke the aid of the American Government, either in the way

of money or the loan of its credit, to enable us to obtain the necessary means from the citizens of the United States.

"I therefore request you to proceed to Washington, as Confidential Agent of my Government heretofore appointed, for the purpose of aiding Mr. J. N. Tiffet, the Financial Agent of the Republic of Mexico, in obtaining from the Government of the United States either a direct loan of moneys, or a guaranty of a Mexican loan to the amount of—say, from forty millions to fifty millions dollars.

"Whatever expenses may be necessary for you to incur in accomplishing this object will be provided for.

(Signed), "JOSE M. J. CARVAJAL,

"Major-General Mexican Army.

"General Herman Sturm,

Confidential Agent of the Republic of Mexico."

HOW AND WHY THE EFFORTS TO OBTAIN DIRECT AID FROM THE AMERICAN GOVERNMENT FAILED OF SUCCESS.

I remained in Washington almost continuously, from January until the close of the session in July, endeavoring by all available agencies to obtain from this Government the wished-for assistance; in aid of which efforts I engaged able counsel, and the co-operation of a large number of influential men of the country. But the Mexican Government was laboring under such a complication of embarrassments, that when one difficulty had been surmounted, fresh ones took its place. It was a most difficult undertaking to get the government or people of this country to involve themselves for the sake of a cause so unpromising, and unrecommended by good faith or credit. The public distrust of Mexican faith, by reason of the unfulfilled obligations of former agents of that Government in this country; the active intrigues of General Ortega, the Chief Justice and Vice President of the Mexican Republic, and claiming to be the *de jure* President thereof, who was now in this country asserting his claim and embarrassing the efforts in behalf of the *de facto* government; the machinations of Maximilian's agents; the intrigues of that selfish schemer Santa Anna, who had recently arrived in this country; the doubtful issue of the contest in Mexico; the inability to forecast the future of that country,—all these, and other like great obstacles, so destroyed public confidence in the stability or reliability of the Mexican Government,

that (although I had the full and hearty co-operation of Mr. Romero) the effort to obtain from the American Congress a guaranty of the proposed Mexican loan proved futile. This Government was too much concerned in the grave problems of Reconstruction and Finance at home, to involve itself in a foreign cause so doubtful and so blemished by broken faith.

DIFFICULTIES OF OBTAINING ASSISTANCE FROM THE PEOPLE OF THE UNITED STATES.

While engaged, as I have been relating, in endeavoring to procure the endorsement by this Government of the Mexican loan, I nevertheless continued, without interruption, my efforts to obtain aid from individual citizens of this country, and to procure supplies for the bonds of Mexico, since they could not be sold for money. But the same influences which disinclined the Government of the United States to aid Mexico had a like effect on its citizens. It was an up-hill business, this laboring to obtain material aid on a credit that so many influences conspired to destroy.

Of one other obstacle, different in its character from those I have been describing, and, perhaps, the most serious of all, I must speak in particular. A great majority of the influential journals of this country—mindful of the past history of Mexico as being the theater of disorder, revolutions and intestine wars, familiar with the reputation of that nation for treachery and bad faith, and judging of its present and future by its past,—had no confidence in its promises now, and opposed all the plans for obtaining assistance in this country : while others, still more hostile, denied the capacity of the Mexican people for self-government, and warmly advocated the perpetuation of the Empire lately set up in that country, which, if it took from the people that which they called liberty, yet gave them a stable, permanent government, capable of maintaining the peace, order and security of society. And I had also to encounter, without resources, and with promises-to-pay that had no credit, except what my assurances might give them, the industrious opposition of agents of foreign Governments interested in the success of The Empire in Mexico, or at least in the prolongation of the war in that country, and having both money and credit in abundance.

SUCCESS IN SPITE OF OBSTACLES.

Spite of all these obstacles, I had succeeded by the 1st of May

in obtaining promises, from different parties, for a large quantity of war material, and the ships required for its transportation to Mexico; which success was largely facilitated—as I may state, in justice to that officer—by General Carvajal, whose patriotism, zeal, ready command of our language, and knowledge of our people (having been educated at Bethany College, Virginia,) enabled him better than any other citizen of his country then in the United States, to enlighten, respecting Mexican affairs, those with whom my negotiations brought him in contact.

AN INTERVIEW WITH MINISTER ROMERO—HOW HE PLEDGED HIS COUNTRY TO GOOD FAITH WITH AMERICAN CREDITORS.

Perceiving my success in obtaining supplies for the Mexican army, General Carvajal was desirous of returning to his own country; but previous to his departure went to Washington, early in May, in company with the Mexican General Trevino, to confer with the Mexican Minister; and, on the evening of General Carvajal's departure for New York, I was summoned to attend a conference between these gentlemen. At this interview, in the presence of General Trevino and Mr. Tiffet, the Financial Agent, Mr. Romero—though expressing himself as exceedingly dubious of my ability to effect any purchases for Mexican bonds, knowing as he did his country's utter want of credit abroad, and the embarrassing complications in which Mexican affairs were involved—declared, both to General Carvajal and myself, his entire satisfaction with all my labors, and then and there assured us that the utmost good faith should be kept with those with whom I had entered, or should hereafter enter, into engagements. How well these pledges have been kept by the Government of which Mr. Romero was at that time the representative in this country, will appear hereafter in this account.

MY FINAL INSTRUCTIONS FROM GENERAL CARVAJAL.

May 14th, in obedience to a request by telegraph, I went to New York to receive from General Carvajal my final instructions, which were inclosed with the following letter handed me by him:

“ NEW YORK, May 15, 1866.

“General:

“ I am about to return to my Military Department. All your proceedings, contracts, etc., heretofore done conformably to your

authorization, given by me, March 1st and August 25th, 1865, which have been approved by me, you are hereby directed to execute and carry out according to the spirit and letter of the said authorization: but whatever new engagements or contracts you may make in the future under said authorization, must be in concert with Major General Lew. Wallace and Senor M. Romero, Mexican Minister Resident, at Washington.

“Very respectfully,

[Signed,]

“JOSE M. J. CARVAJAL,

“Major General Mexican Army.

“General H. Sturm.”

General Carvajal returned to Mexico on the 19th of May, 1866, leaving General Wallace as his Military Representative, Mr. W. F. Stocking, his Private Secretary, and his book-keeper, Mr. W. C. Peckham, in New York, who were to follow him on the first vessel I should dispatch to Matamoras. On the day of his departure, being then in Washington, I received from General Carvajal a communication inclosing for my information and benefit translated copies of his letters of authority from his Government, by virtue of which he had entered into the compacts with me hereinbefore related. I first give his communication:

“NEW YORK, May 16, 1866.

“General H. Sturm: Herewith I transmit to you for your information, copies of my authority from the Republican Government of Mexico, dated 12th of November, 1865, translated into English, empowering me to contract a loan, buy arms, etc., etc., and admit foreign troops into the National service; also, another, dated 8th of November, 1865, naming me Governor and Military Commander of the State of Tamaulipas, with full and legislative powers.

“My authority as Governor of San Luis Potosi is also authenticated, but too lengthy and connected with other irrelevant matter, and is, moreover, unnecessary here.

“I also send you a copy of translation of a modification of my powers subsequently by the Government, in favor of Senor M. Romero, Minister Plenipotentiary for my Republic at Washington City, requiring his approbation of any future contracts I might make. Respectfully, your friend and obt. servant,

(Signed,

“JOSE M. J. CARVAJAL,

Agent for Mexican Republic.”

Accompanying the foregoing communication, were the annexed three translations—the first, of General Carvajal's appointment by the Government as Governor and Military Commander of the State of Tamaulipas; the second, of his authorization by his Government to come to this country to obtain material aid for the Mexican army; and the third, of the decree of his Government directing Senor Romero to assume certain responsibilities and powers in concert with General Carvajal under the authorization given the latter. The following is the translation of

**GENERAL CARVAJAL'S APPOINTMENT AND POWERS AS GOVERNOR OF
TAMAULIPAS.**

"DEPARTMENT OF WAR AND THE NAVY, REPUBLIC OF MEXICO. SEC. 1. "The Citizen Minister of Foreign Relations and Government imparts to me, under date of to-day, the following: 'With this date, I say to the Citizen General J. M. J. Carvajal, what follows:

'Having received advices which produce the doubt as to whether the Citizen General Juan N. Cortinas has ceased to exercise the government and military command of the State of Tamaulipas, and desiring to avoid the great evils consequent upon the prolonged absence of the first civil and military authority of the said State, the Citizen President of the Republic has thought proper to direct, that if the Citizen General Cortinas should have actually relinquished the exercise of said duties, as soon as you receive this communication, you enter upon the discharge of the same, as Governor and Military Commander of the State aforesaid: being hereby amply authorized to dispose of all the military forces within the same, of whatever denomination; to organize and augment as far as possible the forces of the National Guards; to dispose of all revenues connected with the State, as well those properly belonging to the same, as those pertaining to the Federal Treasury, and to provide ways and means; to arbitrate and decree such other imposts as may be necessary in order to uphold the cause of the independence and the institutions of the Republic.

'I have the honor to communicate it to you as relates to the appointment of Governor, and I transcribe the present to the Citizen Minister of War, that he may be pleased to transcribe it to you as far as relates to the military command.'

"I transcribe it to you with the object aforesaid, and I transcribe

it to you as relates to the appointment of military command, and for the purpose attendant thereupon.

“Liberty and Independence.

“CHIHUAHUA, November 8, 1864.

“NEGRETE.

“*To the Citizen General J. M. J. Carvajal.*”

“The foregoing is a true copy of translation of my authority as Governor and Military Commander of the State of Tamaulipas.

(Signed,) _____

“JOSE M. J. CARVAJAL.”

The authenticity of the above translation and the original thereof is also attested by the certificate of Juan N. Navarro, at that time the Consul-General of Mexico at New York.

GENERAL CARVAJAL'S AUTHORIZATION AS COMMISSIONER OF MEXICO TO OBTAIN MATERIAL AID AND RAISE FUNDS IN THE UNITED STATES.

The following is General Carvajal's Commission, as translated by him for me, from the Mexican Government, which he had come to this country to execute, and under which he had entered into the agreements and covenants with me before mentioned:

MINISTRY FOR FOREIGN
RELATIONS AND INTER-
NAL GOVERNMENT; DE-
PARTMENT FOR FOREIGN
RELATIONS, SECTION OF
CHANCERY.

Having taken into consideration what you formerly proposed at the City of Monterey, and what you now further propose through a commissioner, in reference to the fact that you can facilitate the advent of foreigners to augment the forces that are to sustain the cause of the Republic; procuring at the same time arms and munitions of war; and procuring likewise abroad the pecuniary resources which the realization of both these objects demand:—The Citizen President of the Republic, considering that, by the occupation of Tampico and that which may have been effected at the port of Matamoras, it is more expedient, under these circumstances, to admit foreigners in order to augment the National forces, having as one of their principal objects the recovery of those ports; and confiding in your ability and accredited patriotism,—has thought proper to direct in Cabinet Council, that you be authorized for the aforesaid objects under the following bases:

“First, That the number of foreigners you may engage for the service of the Republic shall be from one thousand to ten thousand,

with the understanding that, by the mere act of entering into the service, they shall be considered as citizens of Mexico, according to the laws now in force, and shall remain in all respects subject to the laws of the Republic.

“Second, That the foreigners so engaged shall receive, during the term of service, the pay marked out for each class in the respective military tariffs of the Republic; having also a right, in conformity with the law of the 11th August of the present year, to receive the bounty allowed in the same, when their term of service shall have terminated, by having been disabled during the same, or by the actual termination of the foreign war.

“Third, That you may contract for the purchase, at ordinary prices, of as many as forty thousand rifles or muskets for infantry, and as many as three thousand of the divers arms for cavalry; as well as some batteries of rifled cannon and light or mountain artillery, and a proportional quantity of munitions of war.

“Fourth, That in contracting for the purchase of arms and munitions, you may assign and obligate for their payment *whatever may be necessary* of the revenues of the State of Tamaulipas—as well those properly belonging to the State as those of the Federation collected within the same,—and the products of the ports on its coast; allowing to the contractors, if it be necessary, an interest at the rate of six per centum per annum, more or less, until such sums or loans shall have been paid; having a right also to consign for said payment (*‘pudiendo consignardis’*) the product of duties from customs, with a discount not exceeding the *maximum* of what is customary in said parties, according to the latest authorization of the Government.

“Fifth, That under the same obligation and consignment of the public revenues, and with the same concession and discount upon the duties from customs, according to what is expressed in the preceding bases, you may contract a loan in foreign countries to such an amount as you may consider necessary, according to the number of foreigners that may be engaged, as well for defraying the expenses of their transportation to the Republic, as for the payment of their salaries for one or two years: provided, that the authority vested for contracting a loan shall have reference to that respecting the engagement of foreigners; that there may be a due proportion between the number of men engaged and the amount of the loan, in order to guard against the occurrence afterwards of serious

difficulties for the maintenance of the forces composed of the former.

“*Sixth*, That the obligations you may contract in the name of the Republic and of its Government shall be upon condition, that when said arms and munitions shall have actually arrived upon the territory of Mexico, then, and not before, shall such obligations be considered as perfect and obligatory; and when such amounts of said loan shall have actually been received, shall such obligations be esteemed as perfect and binding on the Republic.

“*Seventh*, That the foreigners that you may admit to come and render their services shall be incorporated with the forces under your command; the whole of them remaining subject to your orders.

“*Eighth*, That in the capacity of Chief of said forces, you shall have all the authority necessary for organizing them, and for conferring upon the militia or upon foreigners volunteering to serve, military commissions up to the rank of Colonel, as required by the organization, conferring such degrees as National Guards, or as Auxiliaries of the Army; and also recognizing in said foreigners the degrees or rank they may have had in other countries; retaining or considering them, likewise, as belonging to the National Guards, or in the capacity of volunteers, or auxiliaries in the army—as you may direct at the time of recognizing the same.

“*Ninth*, That in all that relates to the command of those forces which you shall have subject to your orders, and to their operations in the field, you shall be subject only to the Supreme Government, reporting directly to the same as General-in-Chief of forces in active service; although maintaining—as regards the authority, civil and military, whose territories said forces may pass over, especially of the State of Tamaulipas, shonld you not be discharging the duties of Governor and Military Commander of the same—the necessary harmony, in conformity with what has been imparted to you in a separate communication.

“*Tenth*, That the period of one year, reckoning from this date, shall be the time in which you may, by virtue of the authorizations wherewith you are vested, contract for arms and munitions, as well as a loan; and admit foreigners into the service of the Republic; said especial authorizations now given you, relative to the three points above cited, ceasing to be in force after the expiration of one year: and I communicate it to you, recommending that you will

be pleased to transmit timely reports of what you may transact in view of these authorizations.

“Liberty and Independence.

(Signed),

“LERDO DE TEJADA.

“CHIHUAHUA, November 12th, 1864.

“To the Citizen General J. M. J. Carvajal, Soto La Marina, or where he may be.”

“The foregoing is a true copy of translation of my authority from Supreme Government, for the purpose therein contained.

(Signed),

“JOSE M. J. CARVAJAL.”

To which Señor Juan N. Navarro, Consul-General of the Mexican Republic in the United States at that time, attached the annexed certificate:

“Certiflico que la firma anterior del C. Jose M. J. Carvajal es la misma que acostumbra usar en todos sus negocios.

“NUEVA YORK, Mayo 16, de 1866.

[SEAL.]

(Signed),

“JUAN N. NAVARRO.”

SEÑOR ROMERO, MEXICAN MINISTER TO THE UNITED STATES, IS DIRECTED
TO EXERCISE CERTAIN POWERS AND AUTHORITY IN THE EXECUTION OF
GENERAL CARVAJAL'S COMMISSION.

The following is an extract from a dispatch addressed by Señor Lerdo de Tejada, Minister of Foreign Relations of the Mexican Republic, to Señor Romero, Minister Plenipotentiary and Envoy Extraordinary, at Washington:

* * * * *

“The President has resolved that General Carvajal must proceed in concert with you, and that it is necessary that he may previously obtain your approval to what he may hereafter do in fulfillment of his authorization. With that purpose, besides your conforming yourself to the several instructions that I have communicated to you, or shall hereafter direct, you shall observe the following:

“First. You shall approve what General Carvajal may do in due fulfillment of his authority, if you deem it advantageous to the cause of the Republic,—even should the act of the said General seem more onerous than any other arrangement pending, if the latter have less probability of being realized, without a very injurious delay.

“Second. It shall not be your duty to approve whatever General Carvajal might do in fulfillment of all his authorizations, or a part

thereof, in case that there should arise any difficulties in regard to another secret project, which, in your judgment, could have a sufficient probability of being performed with greater advantage.

"Third. The Government relies on your patriotism, capacity and discretion; and instructs you that, without omitting to try to procure the best, you may choose among those agreements which, in your judgment, may not be absolutely bad, that one which shall offer a greater security, or more probability of being the soonest carried out.

* * * * *

[Signed,]

"LERDO DE TEJADA.

"CHIHUAHUA, July 13, 1865."

"I certify the foregoing to be a true translation of a part of an official dispatch from the Secretary of State of the Republic of Mexico, Senor Lerdo de Tejada, to General Jose M. J. Carvajal, transcribing the last instructions of the Mexican Government to its Minister Plenipotentiary, Senor M. Romero.

"NEW YORK, October 2, 1865.

[Signed,]

"FRANCISCO ZARCO."

"A true copy of translation.

[Signed,]

"CARVAJAL."

I ADVISE MR. ROMERO OF MY SUCCESS IN PROCURING MUNITIONS, CHARTERING TRANSPORTS, ETC., AND HIS GRATIFICATION THEREAT.

I proceeded with the work of preparing for shipment to General Carvajal the supplies I had so far obtained; and on the morning of the 9th of July, advised Mr. Romero that I was now ready to ship to his country the first installment of the munitions I had succeeded in purchasing for Mexican bonds, and had also engaged for their transportation, two steamers, likewise for bonds, and gave him full particulars of the favorable terms on which I had been able to effect these engagements, namely: that I had contracted with two responsible firms in New York City, at fair prices, for all the arms and other Ordnance stores, and with equally reliable establishments for the medical and other stores required by General Carvajal (all of which contracts had already been approved by General Carvajal prior to his departure)—amounting in the aggregate to over \$2,500,000; for all of which I had agreed to pay to the said vendors bonds of the Mexican Republic, at the rate of

sixty *per centum* of their par value, within sixty days after the delivery of these stores to me in New York,—unless, as General Carvajal himself had promised the vendors, he should be able to pay the cash for these purchases immediately on their receipt at Matamoras.

This information elicited expressions of surprise and gratification from Mr. Romero. My success had evidently been much greater than he had anticipated, for I observed that even then, in spite of these assurances of positive appreciable success, he was yet incredulous that actual tangible benefits would result from my endeavors to obtain aid on the credit of his country. His surprise increased when I informed him that I had effected a partial arrangement for the purchase of a small gunboat, fully equipped, which I believed would be of great service in assisting the recapture of Tampico, and which I had arranged to obtain for bonds at a reasonable price. I explained, that although requested by General Carvajal to purchase such a vessel, I nevertheless felt that to send a war-vessel from this country to aid the Mexican Government against its enemies, was a delicate transaction, requiring more extraordinary precaution than the simple shipment of arms in transports, and I therefore desired to have his opinion respecting the policy of the proposed measure, and, if favorable, his consent. He promised an early answer, and was so pleased with the project that he instructed me at once to ascertain the price of the vessel.

HOW PERMISSION WAS OBTAINED OF THE UNITED STATES GOVERNMENT TO SHIP MUNITIONS TO MEXICO.

To avoid the possibility of difficulty, and in accordance with my fixed purpose to engage in no enterprise disapproved of by my Government, I requested Mr. Romero to accompany me to a gentleman who at that time held a very high rank and position in the Army of the United States, with the object of apprising him of our contemplated enterprise, and, if possible, to obtain through him from our Government a certificate of permission to ship military stores from New York to Mexico, *via* Texas. Mr. Romero agreed to the propriety of this course, and arranged I should meet him at the office of the gentleman referred to, a few hours later. At this meeting I showed the Mexican Minister a dispatch just received from the owner of the gunboat, stating that he would sell me the vessel for \$88,000, United States currency, payable in Mexican

bonds at the authorized rate. After consulting with the Officer of whom I have been speaking, Mr. Romero directed me to purchase the gunboat, also some torpedoes, and send them to the Mexican Government. The Officer then very kindly agreed to obtain from our Government, without delay, the requisite permit for the shipment of these purchases to Mexico, *via* Brownsville, Texas, and at the same time gave me a letter to facilitate my agent at the last named place.

I have gone into these details that I might show how careful I was, in all these transactions, to violate no law of this country; how fully I acted in accordance with Mr. Romero's instructions; and that *he approved of all I did.*

The promised permit from the Secretary of the Treasury for the shipment of supplies from this country to Mexico was received by me, in New York, July 11th, and was as follows:

“TREASURY DEPARTMENT,
WASHINGTON, D. C., July 10, 1866. }

“Sir: Your letter of this date is received, requesting permission to ship from New York to Brownsville, Texas, *in transitu*, for a foreign market, certain Ordnance and Ordnance Stores, as specified in an invoice enclosed therewith.

“In reply, you are respectfully informed that the matter has been duly considered, and in accordance with the determination arrived at on the subject, you are hereby permitted to ship the said articles as requested by you, of which permission the Collector at New York has been duly notified.

“Yours very respectfully,

(Signed,) _____

“H. McCULLOCH,

Secretary of the Treasury.

“H. Sturm, Esq., New York.”

**MR. ROMERO IS NOTIFIED THAT I AM RE DY TO SHIP THE FIRST CARGO
OF MUNITIONS TO MEXICO.**

On the 14th of July, I notified Mr. Romero, by post, that the steamer “J. W. Everman,” one of the two steamers chartered by me, would be ready to sail from New York in a few days, with a cargo of military stores for the Mexican army, and at the same time requested him to notify the Mexican officers whom he desired, as he had stated to me, to take passage on this vessel to report to me without delay. To which Mr. Romero replied, next day:

"I have received your letter of yesterday. I request the officers who are awaiting transportation to Brownsville to report to you at the time and place appointed. I am glad to hear that matters are going on well, and expect to have a more detailed account of your operations."

SHIPMENT OF A CARGO OF MUNITIONS TO MATAMORAS.

In fulfillment of my promise to the Mexican Minister, the steamer "Everman," on the 26th of July, sailed from the harbor of New York for Matamoras, with a large and assorted cargo of munitions, and taking out to Mexico Major-General Lewis Wallace, several other citizens of this country—who had been engaged by General Carvajal—and a number of Mexican officers, whom Senor Romero took this means of returning to their country. The ship and cargo, in pursuance of General Carvajal's direction, were in charge of his Private Secretary, Mr. Wilbur F. Stocking, as Supercargo.

I did not permit this event to transpire without making the most of it. The "Everman" was escorted to sea by two steam tugs, containing a large number of prominent citizens of this country, who cheered the departing ship: to be brief, no means were spared by me to surround this occasion—the first tangible public proof of the success of my efforts, after contending for long months with discouraging obstacles—with all possible *eclat*. I sent the munitions to Mexico to be used against her enemies; I sought to make capital out of this success in the United States, by arousing popular enthusiasm in behalf of the cause I was striving to aid.

GRATIFYING INFLUENCE OF THE LAST MENTIONED SUCCESS.

The successful shipment of this cargo from the chief city of the United States, with all the attendant circumstances of any legitimate enterprise, was a blow to the enemies of the cause of the Mexican Republic. The journals of the country proclaimed the event to the people, in all its details, conspicuously, and with editorial comments. Many of them declared that Mexican prospects were brightening, and Mexican credit rapidly gaining, and energetically advocated the cause; while those who had been hostile from the first did the cause an equally good service, by changing their former tone of ridicule or derision to one of seriousness, and anticipating the despatch of more vessels on similar missions, call-

ed upon the Government to interfere and prohibit the event from being followed by others of a like character.

The shipment of this cargo, by reason of the publicity given the occurrence, had, also, another gratifying influence. The people of the United States, ignorant of the means I had employed to obtain these supplies, and the vessel that bore them, became persuaded that the financial resources of Mexico must be much greater than common report had allowed, and the credit of the Mexican nation suddenly gained largely in the public estimation. I need not say I was very much gratified at this, for it was the result I had hoped and labored for from the beginning. It mattered not that the aid had been obtained by all sorts of shifts and expedients, and with no better security for payment than mere promises to deliver Mexican promises to pay, sixty days after the sailing of this vessel, instead of payment in cash; the effect on the public mind was all the same; the credit of the Mexican Republic was exalted from its previous low estate.

MR. ROMERO'S GRATIFICATION AT THE RESULT OF MY EFFORTS.

The departure of the "Everman" I at once communicated to Senor Romero, and the gratification of that gentleman at this intelligence can best be shown by the following extract from his letter of reply:

* * * * *

"I have just received your favor of yesterday, by which I am informed that, on Thursday last, the steamer 'Everman' left New York for Brazos, with a cargo of arms and munitions for the Mexican forces on the Rio Grande.

"I am glad to have this news that I communicate to my Government."

* * * * *

THE MEXICAN MINISTER'S SOLICITUDE FOR SUCCESS.

On the 1st of August, Mr. Romero sent to me another Mexican officer, to be provided with a passage to his country on the next vessel I should dispatch there, the "Suwanee;" by which vessel was expecting to transmit, in a few days, another cargo of munitions to General Carvajal, at Matamoras. And on the same day the Mexican Minister wrote to me as follows:—

* * * * *

"I was sorry to see what the *World* published day before yesterday. Will that do any harm?"

[The Mexican Minister here refers to the account given in the New York *World*, of the sailing of the "Everman;" which was anything but unfriendly in its nature, but which he nevertheless feared might, for other reasons, have a prejudicial effect. I have introduced this, with other extracts from Mr. Romero's correspondence, of no particular importance in themselves, to show that the Mexican Minister at that time attached great importance to the enterprises I was engaged in, and was very solicitous for their success; although, since the fortunate termination of the war for the overthrow of the Empire, a portion of the Mexican press and the Government of that country seem to have indifferently appreciated the value of the aid I was instrumental in obtaining for their cause].

THE GUNBOAT "SHERIDAN" FITTED OUT AND SENT TO MEXICO.

On the 6th of August, after encountering a variety of difficulties in fitting out that vessel for her voyage, I at length succeeded in dispatching the gunboat "Sheridan" to Brazos, thence to be delivered to the Mexican Government. The vessel had on board the persons selected by General Carvajal for her officers and crew after her arrival in Mexican waters, and whom he had expressly directed me to send out with the vessel.

REVIVAL OF OLD OBSTACLES, AND NEW ONES ADDED.

The success of this enterprise, following so close upon the dispatch of the cargo of supplies by the "Everman," set the hostile influences to work again; and as frequently happens with unscrupulous enemies, they endeavored to effect by stratagem what other means had proven insufficient to accomplish. The chiefs and representatives of the discontented Mexican factions then in this country—such as Ortega and Santa Anna,—in order to defeat our efforts and advance their own selfish aspirations, caused various unfounded rumors to be put into circulation. These malcontents, among other resorts, endeavored to destroy Mexican credit—the little that had been with so much difficulty manufactured—by pointing out the difficulty of determining who were the legally authorized agents of Mexico in this country; and by disseminat-

ing the false report that there had lately arrived here an agent from the Mexican Government, empowered to make purchases for gold that he had with him; expecting thereby to disable me from obtaining on a dubious credit what another had the ready money to pay for. The report was apparently verified by the fact that a person (either Mexican or Spanish) claiming to be such agent had industriously busied himself in calling at most of the principal houses dealing in arms in New York city, including some of the houses I was negotiating with, inquiring the prices for munitions, which he said he wanted to purchase for Mexico, and offering the cash for them, and so forth,—causing me no little annoyance; and to satisfy myself I wrote to Mr. Romero, asking to be informed of the truth or falsity of the rumor, and recommending that if Mexico had more than one agent in this country for the purchase of supplies, they should work in concert and not in competition with one another, for a common purpose. To which Mr. Romero replied on the 8th August:—

“I notice what you say about your steps to make further purchases, and the difficulties under which you have to labor. Your letter will be transmitted to the Mexican Government. *I know of nobody sent to New York, or any other place in this country, by General Escobedo or any other officer of the Mexican Army; with or without funds.*

“*I am sure I should know about it had any agent been sent.*”

With this letter from Señor Romero, I at once called on the different parties with whom I was negotiating, as also on other dealers in arms, and endeavored to convince them that the afore-mentioned rumor, as well as the pseudo agent, was only a part of the many intrigues of the enemies of the Mexican Government to defeat the success of the Liberal cause in that country.

THE CARGO OF THE “SUWANEE.”

On the 14th August, 1866, I notified Mr. Romero that the steamer “Suwancee,” one of the vessels engaged by me, in the mouth of May previous, to carry munitions to General Carvajal, was being loaded with her cargo, and would be ready to sail for Brazos during the following week.

In the meanwhile I had effected arrangements in Philadelphia

for the purchase of two batteries of artillery, to be paid for with Mexican bonds, at the authorized rate of sixty *per centum* of their par value, on the delivery of the artillery to me in that city.

FINANCIAL TROUBLES.

But here a new difficulty arose, resulting from that chief source of all my embarrassments in this service—the poverty of financial resources, and the want of Mexican credit. On presenting at the house of Corliss & Co. the drafts of General Carvajal, for the bonds required for the purchase of these batteries, they declined to furnish them to me at that time, assigning two reasons: they had not a sufficient amount in their possession, and some time would be required to get them ready; and, though they could not but acknowledge the validity of the drafts, they yet must decline to dispose, except for cash, of any of the Mexican bonds dated prior to October 1st, 1866, since, in their agreement with General Carvajal by which they had become the Agents of the Mexican Government for the sale of its bonds, they had undertaken to guaranty till the above date the interest of all bonds dated prior thereto; for which guaranty they had expected to secure themselves out of the funds obtained by them from cash sales of bonds, but had not yet been able to realize any money in that way. They refused to deliver, except for money, any bonds of an earlier date than October 1st, 1866, without additional security for the interest to that time.

I at once wrote to Mr. Romero, informing him of my success in arranging for the artillery purchases at Philadelphia, and stating the necessity of having the bonds in readiness immediately on the delivery of these purchases; and not receiving a reply as promptly as I deemed the importance of the subject required, I first ascertained by telegraph that Mr. Romero was in Washington, and then hastened there to confer with him.

On the 18th I had two long interviews with the Mexican Minister, in which I again recapitulated the immense difficulties of procuring supplies on Mexican credit. I therefore urged the necessity of prompt and business-like action on our part whenever opportunities for making favorable contracts should present themselves; and argued how great would be the gain to the cause by settling for contracts as fast as made, leaving nothing open, and thus avoiding a fruitful source of trouble and detriment to the cause. Mr.

Romero, in reply, expressed his concurrence in the wisdom of my suggestions, but remarked that, under the circumstances, Messrs. Corliss & Co., by their agreement with General Carvajal, were not bound to deliver, before October 1st, 1866, except for cash, any of the bonds they had been authorized to issue. And though it had been his policy not to interfere in the arrangements of General Carvajal, who had derived his powers from the Mexican Government direct, yet, having promised that officer, on his return to Mexico, to assist me in carrying out his plans, and seeing the necessity of my being provided with bonds at this time to enable me to make the needed purchases, he would depart from his accustomed policy, and, without waiting for special instructions from his Government, give me an order on Corliss & Co. to furnish me at once the bonds I required: provided that I would promise, as soon as I should have despatched the cargo now being prepared to General Carvajal, to send supplies to such other officers of the Mexican service as he should designate, and in regard to which he would give me his own particular instructions. In reply, I assured Mr. Romero that, as the Agent of the Mexican Republic, I would always be ready to ship such supplies as I might be able to obtain, to whatever point that Government should direct; that my agreement with General Carvajal, and his instructions to me, did not contemplate that I should provide for that officer only, but for the Republic at large; and I would cheerfully endeavor to procure and ship munitions to whatever place he might designate. Mr. Romero, after expressing his pleasure at what he termed my "readiness to serve his Government in all things," said, that as it wanted but six weeks of the first of October, he would order the house of Corliss & Co. to deliver me now, on the draft I had received from General Carvajal, the bonds required, dated October 1st, 1866, and bearing interest from that time; hoping, that for the few days' interest on the bonds between the time of their delivery and date, I would be able to satisfactorily arrange with contracting parties.

FURTHER CALLS FROM MEXICO FOR ASSISTANCE.

On my return to New York, Senor Don Justo Benitez and General Pedro de Baranda reported to me with letters from Mr. Romero, introducing them as Commissioners from General Diaz, Commander of the Eastern Military Division of Mexico, by whom they had been sent here to obtain supplies, and which he desired me to procure and ship as soon as practicable.

These gentlemen explained to me the utter destitution of their country of material of war; and how greatly the supplies they were here to seek, would contribute to shorten and successfully terminate the war; and urged me to return them home with as large a quantity of military stores as I might be able to procure, as soon as possible.

AN ORDER FOR BONDS.

On the morning of the 22d August, I received from Mr. Romero his communication:

“ WASHINGTON, August 19th, 1866.

GENERAL H. STURM, New York:

“ Dear Sir—I enclose to you, as agreed upon yesterday, an order to Messrs. John W. Corliss & Co., to deliver to you \$100,000 in Mexican bonds. Enclosed you will find your instructions. Please ask Mr. Mariscal, or Mr. Fuentes* (of the Mexican Consulate-General at New York) to translate them for you.

“ I am instructed to write all official letters in Spanish.

“ I also enclose to you General Carvajal’s order.

“ Respectfully yours,

M. ROMERO.”

INSTRUCTIONS FROM MR. ROMERO CONCERNING THE PURCHASE AND SHIPMENT OF MUNITIONS.

The instructions inclosed by Mr. Romero in the above communication, were as follow:—

“ WASHINGTON, August 19th, 1866.

MEXICAN LEGATION

IN THE

UNITED STATES OF AMERICA. which we held yesterday, in relation to the need you feel of having a sum of Mexican bonds to your credit, to make the purchases of articles of war which you propose to send to the Republic, in conformity with your instructions—since many of the vendors are not willing to accept the terms you have offered them, of giving them the bonds sixty days after the arrival out of their goods, and since, at times, the delay of a single day in the delivery might impede the conclusion of advan-

*Mr. Mariscal was at that time Secretary of the Mexican Legation in Washington, and is the present Mexican Minister to this country. Mr. Fuentes is at present a member of the Mexican Congress.

40

tageous contracts (as in the case of that of Mr. Jenks, which you referred to)—I have come to the conclusion to order that one hundred thousand dollars in bonds be delivered to you, on account of the million and one half dollars that General Carvajal ordered to be given you, under date of the 12th September, 1865, which draft you showed me yesterday.

“ You will find herein enclosed an order to Messrs. John W. Corliss & Co., holders of the bonds, that they may deliver to you the sum aforesaid. When you may have disposed of said sum, I shall give you an order for another equal sum; which course I think shall avoid many of those difficulties you have so far encountered to make your contracts.

“ In setting at your disposal the sum referred to, I think it fit to state in writing the instructions I had previously given you verbally, adding some others which my experience of what has happened suggests as necessary, and to which you should bind yourself in the purchases you are about to make. Said instructions are thus:—

“ 1. You shall not buy anything which you have no means of transporting to the Republic, as no goods would be of any use to us if they were to remain in this country.

“ 2. You shall offer for such purchases as you may make only bonds of those signed by General Carvajal, giving them at sixty *per centum*—nothing less—and when these goods may be bought at market prices.

“ 3. You shall endeavor to your utmost possibility to insert in the contracts you may enter into, the following clause:

‘The shipment shall be made for the port of —, in the name of the vendors, as their own property, who shall provide for their transport and the rest that may be necessary, till the goods reach their destination and be delivered to a loyal Mexican officer; in which case, and no sooner, they shall become the property of the Mexican Government.’

“ 4. You shall give preference to the arms of all classes in the following order:

“ I. Guns, rifled or unrifled.

“ II. Carbines.

“ III. Pistols.

“ IV. Sabers.

“ V. Light Mountain artillery.

“ VI. Field Artillery.

“5. You shall endeavor that each remittance be well provided with the greatest possible amount of ammunition suitable to the arms that be then remitted; and in case they may not be attainable, you shall send at least the powder and lead necessary to make said ammunitions, and the greatest possible number of caps, which are extremely scarce all over the country.

“6. You may buy any clothes or stuff to make it (meaning by it the ‘clothes’), provided you may buy it (the ‘stuff’) here at lower prices than could be obtained in the place of the Republic where they be bound. As a general rule, I tell you that our soldiers are almost entirely clad with light cotton or linen goods.

“7. The same rule shall apply as to provisions. The base for the feeding of the Mexican soldier is Indian corn, and this is scarce, only sometimes, along the frontier; it abounds in the interior, and freight would raise it to a fabulous price, if sent from here.

“8. You shall pay special attention to avoid the purchase of articles which may be considered necessary for the United States army, which would be as articles of luxury for our army—such as camp tents, shoes, stockings, coffee, etc., etc.

“9. Before signing each contract, you shall send a copy of it for my approval.

“10. You shall pay preferent attention to fit out a load of arms and ammunitions for the ‘East Army Corps.’ General Baranda and Mr. Benitez, commissioners from Generals Garcia and Diaz, shall inform you of what is most needed in those States, and also of the place where the ship conveying said goods should be directed.

“11. When you shall have disposed of the bonds now put at your disposal, you shall forward me the account thereof with the proper vouchers, that I may order to your credit another sum.

“12. You shall not buy any other ship, without express orders from the Mexican Government.

“Such are the instructions which I deem sufficient for the present, and which I shall extend when I deem it convenient.

“I remain, truly yours,

(Signed,) _____

“M. ROMERO.

“To General H. Sturm, New York.”

AN ORDER FOR BONDS.

Accompanying these instructions was the annexed order on Messrs. Corliss & Co.:

"WASHINGTON, D. C., August 19, 1866.

"MEXICAN LEGATION,
IN THE
UNITED STATES OF AMERICA.

Please set at the disposal of General H. Sturm, Commissioner of General Carvajal, to make purchases of arms and articles of war, the amount of One Hundred Thousand Dollars (\$100,000,) in Mexican bonds, of those which you have in possession, and on account of the Million and a Half Dollars that said General Carvajal drew on you to the order of General Sturm, under date af September 12th, 1865.

"Yours, very truly,

[Signed,]

"M. ROMERO.

"To Messrs. J. W. Corliss, & Co.,

57 Broadway, New York."

I PROCURE FPOM MR. ROMERO A MODIFICATION OF HIS INSTRUCTIONS.

Although these instructions, last above given, would have done well enough had I been provided with the cash to pay for stores immediately on their purchase, they were by no means adapted to existing circumstances—especially clauses three and nine; and knowing that Mr. Romero was unfamiliar with the practical requirements of such matters, I called his attention to the inadequacies of his instructions, and asked a modification of these two clauses. To which Mr. Romero, under date of August 23d, 1866, replied:

* * * * *

"All you state in regard to clause three of my aforesaid instructions seems to me quite reasonable, but I don't deem it sufficient to either omit or alter it. In the first place, *I did not make it a binding condition that you should put the stipulation therein mentioned in all contracts that you may enter into; but that you should earnestly endeavor to do so, to your utmost possibility:* granting so to your discretion a most ample freedom." * * * *

"Clause nine of said instructions has also been suggested by my Government, that—with the object of preventing abuses that might find room* in making purchases—is willing that I should interfere in them all. I do not think that I could give any greater proof of my confidence in you than the one of placing at your disposal a

[#]An awkward translation, by which is meant, "for the purpose of correcting abuses that might occur," etc. These and other like inexpressive or ungrammatical expressions in Mr. Romero's correspondence which I quote, are due to the errors of the translator, Mr. Fuentes.

onsiderable amount of money, as I did in bonds. I feel also
confident enough of yourself, being assured that in all your pur-
chases you shall act with your characteristic good faith and honesty:
but as I deem it not convenient to depart from my Government's
orders, or setting a precedent that might hereafter be alleged solici-
ting alike* proofs of confidence, I do not consider myself author-
ized to except you from that requisite. Wishing, however, to facil-
tate as much as possible the purchases you are authorized to make,
condescend† to have that clause altered in the following terms:

'Before signing such contracts, a copy thereof shall be submitted
to me for my approval. Whenever, in your judgment, it would
not be possible to wait the time necessary for said requisite approval,
without serious disadvantage to the interest of the Mexican Gov-
ernment, you may obtain, instead of my own approbation, that of
the Mexican Consul at New York: or, in case he should be absent,
that of such person as he may designate.'

"I think that such addition will remove all difficulties that you
have indicated.

"I am, sir, yours, etc.,

[Signed,]

"M. ROMERO.

"General H. Sturm, New York."

A REQUEST TO SEND MUNITIONS TO THE PACIFIC COAST OF MEXICO.

These modified instructions were accompanied by the following
letter of transmission, which came to hand August 25th.

"WASHINGTON, August 24, 1866.

"General H. Sturm, New York:

"DEAR SIR—I received yesterday your letter of the 22d inst. I
suppose the translation of my letter to you of the 19th inst. was
not very correct, at least in instruction No. 3, as you will see by
reading my official reply to your said letter. I did not ask you to
insert in *all* contracts that stipulation, but to do so as far as it
was practicable, in your judgment.

"It would be very desirable to send arms and ammunition to the
Pacific Coast. There are several States on that coast which are
entirely unprovided, and where arms would be of the greatest use.
Any amount of arms of any kind would be very valuable.

*Meaning, "like proofs," etc.

†The translator means to say, "I consent," etc.

"Governor J. J. Baz knows very well that coast and the officers who have their head-quarters there. I have requested him, therefore, to see you and inform you of what is needed, and what is the best way of sending it, and where.

"Should you be able to make a shipment there, I would be delighted.

"In great hurry, yours,

"M. ROMERO."

To proceed with the account of my progress in procuring supplies for Mexico. As before stated, the "Suwanee" had been duly fitted out for her voyage, and was being loaded with her cargo of munitions for General Carvajal. I next proceeded with all diligence to make the necessary arrangements for dispatching to General Diaz the supplies requested by Mr. Romero, and concerning which his Commissioners, before named, had been sent to this country. For this purpose, and in compliance with the instructions of Mr. Romero to secure means of transportation before purchasing supplies, I chartered the steamer "Vixen," and had succeeded in contracting for a large quantity of military stores on favorable terms, when information came from Matamoras that arrested my progress, and again imperiled the cause.

A NEW PERIL—MY FIRST CARGO OF STORES SEIZED BY REVOLTERS AT MATAMORAS.

On the date last above mentioned, despatches were received from Brownsville, Texas, by the parties who had furnished the stores taken out by the "Everman," conveying the intelligence that immediately on the delivery of the cargo of that vessel at Matamoras, the army officers in that city, under the command of General Carvajal, had revolted, deposed their commander,—who barely escaped with his life over the frontier into Texas—seized the cargo of the vessel, and refused either to pay for the goods, or furnish a receipt for them. The correspondents further stated that they verily believed the cargo had been thus seized in pursuance of a preconcerted understanding with the Agent in this country,—a pre-determined plan to swindle the vendors of the goods by concocting a sham revolution, under cover of which the Mexican authorities might appropriate them and yet avoid payment.

MY EFFORTS TO PROTECT THE INTERESTS OF THE MEXICAN GOVERNMENT IN THE ABOVE CARGO.

Mr. Stocking, the Supercargo of the "Everman," sent me by telegraph an account of the revolt at Matamoras and seizure of the cargo of that steamer, and asking instructions. As evidence of my solicitude for the success of the cause of the Mexican Republic, and to show my endeavors to subserve the interests of the Legitimate Government of that country in the present exigency, I will quote the instructions I sent to Mr. Stocking on the receipt of his message:

"NEW YORK, August 22, 1866.

"*Dear Sir*—Your letter dated Brownsville, August 13th, informing me that you have claimed the protection of the American Consul for the cargo, etc., was received yesterday, and I hasten to reply to it, so you may receive it in time. I am glad you acted as you did, as it is of importance that these goods are not used against Juarez or Carvajal. But under no circumstances do anything without written orders from General Carvajal; and above all, get a full receipt from him for everything, as this is the only way to insure prompt payment to the parties who sold the goods.

" You say Canales assured you that he would carry out any arrangements made with General Carvajal, and would pay for these goods or return them. *Unless General Carvajal orders you to do this, have nothing to do with Canales.* He has placed himself in antagonism to the lawful authority. The arms, etc., sent out by me are the property of the Mexican Government, and I have no right to sell them to any one, especially to a person who has usurped authority, and who, as I verily believe, is in league with Ortega and others, and is, at all events, a traitor to his Government.

" If the arms are taken by force, or kept by Canales in such a way that you can not recover them, you must take written affidavits of this fact, signed and attested by the American Consul, and other American officers of prominence there, but above all, by General Carvajal, who is the only lawful authority there, and who, although at present forcibly removed, is still recognized by the Government as such.

* * * * *

"Yours in haste,

"H. STURM.

"W. F. Stocking, Esq., Supercargo, etc., Brownsville, Texas."

EFFORTS TO RESTORE CONFIDENCE IN MEXICAN CREDIT.

Foreseeing how this occurrence and the construction that had been given it, if not at once contradicted, would bring the Mexican cause into dishonor in this country, and utterly destroy its credit, I hastened to see those of whom I had made purchases and with whom I was negotiating for supplies, to counteract the effects of the damaging impression that Mexico had never intended to keep faith with her creditors, and that General Carvajal's obligations would be repudiated. I labored to convince them that the affair at Matamoras was a real local sedition against the authority of the Mexican Government, not a premeditated procedure suggested or connived at by that Government; and that the obligations of that government to its creditors in this country, incurred under General Carvajal's authority, would be honorably observed.

I lost no time in communicating to Mr. Romero the intelligence I had received of the Matamoras affair, and the prejudicial interpretation that had been given it; admonishing him of the ruinous effect it would have on our undertakings, if not immediately and authoritatively contradicted, and urging him—if the "Suwanee's" cargo was to be completed, if the partial arrangements already made to send supplies to General Diaz were to proceed any further if, in short, what had already been done was not to be wholly lost and future efforts to obtain assistance in this country for Mexico rendered wholly impossible,—to promptly furnish me, over his own name, and for his Government, an emphatic assurance that the Mexican Government would inviolably fulfill all its obligations incurred by General Carvajal and myself, under our authority.

MINISTER ROMERO'S WRITTEN PLEDGE OF HIS GOVERNMENT'S DETERMINATION TO KEEP STRICT GOOD FAITH WITH AMERICAN CREDITORS.

Mr. Romero replied under date of the 26th August, saying:—

"I regret very much that events have occurred there which are calculated to disturb the confidence the merchants, who are willing to sell you articles of war for the Mexican Government, ought to have in our ability to fulfill our contracts. I look upon the late occurrences at Matamoras as of a very transitory nature, and which will be remedied as soon as the Mexican Government will be able to come to Monterey; which I have no doubt will soon be done."

think it is unnecessary for me to tell you that *you may inform all interested parties, that any contract that you have entered into or you may hereafter enter into, as agent of General Carvajal for the purchase of supplies, and which has been approved, or will be approved, by me, will be binding upon the Mexican Government, and will be faithfully carried out on our part,* as we do not mean to bind ourselves to anything that we are not sure we have the ability to fulfill.

LOST GROUND PARTIALLY REGAINED.

Adding to this reassuring pledge of the Mexican Minister my own protestations of unqualified reliance in the good faith of the Mexican Government, I succeeded to a considerable extent in restoring the confidence that had been so nearly destroyed by the tidings that came from Matamoras.

FURTHER CALLS FOR AID FROM MEXICO.

On the 28th August Governor Baz, another Commissioner sent to this country by the Mexican Government in quest of supplies, reported to me with a letter from Mr. Romero introducing him and acquainting me with his mission, which was to obtain a cargo of arms and other munitions for the army in the "Southern part of Mexico, bordering on the Pacific." Mr. Romero closed his letter introducing Governor Baz with this expression: "I hope you may be able to send there a large cargo, notwithstanding the recent difficulties."*

THE EXTREMITIES OF THE MEXICAN CAUSE.

I explained to Governor Baz, who, as I had been informed by Mr. Romero, was a former Governor of the State of Michoacan, and one of the most prominent citizens of his country, the manifold difficulties of obtaining supplies on Mexican credit. On which he depicted the utter destitution of his country in respect of arms and other munitions—especially of powder—the precarious condition of President Juarez and the Mexican Republic, and urged me to spare no efforts to obtain and send to his country the aid of which it was in such pressing need.

*Referring to the affair at Matamoras, and its damage to Mexican credit in this country.

These solicitations I strove to gratify; but opposing difficulties were more numerous and discouraging than before. The affair at Matamoras was an opportunity not neglected by the enemies of the cause, to discourage the citizens of this country from furnishing assistance on the unsafe security of Mexican bonds; and the factious chiefs, inimical to President Juarez, then in the United States, eagerly seized this opportunity to defeat the measures for aiding the Republic, and issued proposals for loans in the interest of their own ambitious projects,—of whom may be mentioned the mischievous Santa Anna, who issued bonds and tried to negotiate them; a fresh attempt to sell the old issues by General Ochoa; and the unprincipled Woodhouse concern, who threw their unauthorized bonds on the market. The spies of these unscrupulous opponents assiduously advised themselves of my operations, and would seek these of whom they had ascertained I was trying to obtain supplies, and work upon their suspicions to defeat my negotiations. The facts about the condition and prospects of the Republic were an almost insurmountable barrier to my efforts; but the enemies of Mexico sought to make the obstructions impassable by exaggerating the truth and inventing falsehoods. Nevertheless, by the aid of numerous influential acquaintances, formed during the late war, and by an unsparing use of my own private means, I succeeded in inducing quite a number of persons to furnish me supplies on Mexican credit.

A FRESH SOURCE OF HINDRANCE AND VEXATION.

But the road to success in my labors was to be waylaid with difficulties to the end; I overcame one frustrating agency to presently come upon others. Knowing how precarious was Mexican credit; how favorable contracts for goods undelivered and unpaid for might at any moment be broken by unfavorable reports and the persistent efforts of intriguing enemies,—I went to the office of the Mexican Consul in New York to have my recent contracts approved, as Mr. Romero had authorized, whenever time might be too important to permit, without prejudice to the cause, the delay of waiting for such approval by himself. But the Consul declined to take such responsibility, for the want of what he called the requisite “information” from Mr. Romero—meaning direct instructions.

And when I proposed that he telegraph the Mexican Minister for the authority to do what was so urgently required, I was informed that Mr. Romero had left Washington as one of the Presidential party that had gone on an excursion to Chicago, to participate in the ceremonies of laying the corner-stone of the Douglas monument. The Consul, not seeming to appreciate the danger of delay as I did, advised me to await the Minister's return. But I was apprehensive of the consequences of delay, and so endeavored to communicate with Mr. Romero by sending telegraphic messages to his address at several places in the programme of the Excursionists. Finally, on September 4th, at Cleveland, Ohio, Mr. Romero sent me a telegram, saying:

"As I was so much engaged before I left Washington, I could not communicate to Doctor Navarro* the instructions I gave you about the participation he might have in your purchases. I beg of you to show him the two letters of instruction that I gave you in August last, and that will be all that is required."

I took this message and the instructions referred to therein to the Consul; who still declined to assume the requested responsibility, until he should be furnished a direct order from Mr. Romero securing him in the assumption of a duty not appertaining to the functions of a Consul, but of a Minister. At this interview a number of officials of high position and influence in the Mexican Government advised me to close the contracts, without awaiting the formality of the Minister's approval; as they felt sure he would sanction this course on his return, since the contracts were on favorable terms, in pursuance of Mr. Romero's instructions, designed to obtain for Mexico the aid so greatly needed, and since embarrassments might at any moment arise, making further purchases still more difficult if not impossible.

But as this indisposition of the Mexican Consul and other officials of that country to interest themselves in the importance of the exigency that had arisen, or take any responsibility in behalf of the cause, impressed me unfavorably, I was more than ever before disinclined to exceed my instructions; proposing that responsibility for the consequences that might ensue should rest where it properly belonged.

*The Mexican Consul-General at New York.

I however again communicated with Mr. Romero about the approval of contracts, and on the 7th September, he replied from Chicago, stating he would leave there that evening for Washington, where he expected to arrive in a few days.

THE EFFECTS OF THE DELAY OF THE MEXICAN AUTHORITIES IN THE APPROVAL OF CONTRACTS.

The result of this delay was, that nearly every pending engagement for supplies was lost—twenty-eight different contracts, drawn up in triplicate, on very favorable terms, and wanting only the Minister's approval to be binding on the vendors: and the departure of the two steamers then under charter, and waiting for the cargoes these contracts were intended to supply, was still further delayed.

TERMINATION OF GENERAL CARVAJAL'S COMMISSION IN THIS COUNTRY—MINISTER ROMERO SUCCEEDS TO ALL OF GENERAL CARVAJAL'S POWERS AND DUTIES UNDER THE LATTER'S COMMISSION.

On the receipt of Mr. Romero's dispatch of the 7th, I wrote to him, describing in full what had occurred, and once more urging the necessity of prompt action in regard of contracts. September 12th, I received from Mr. Romero a letter, dated on the 10th of that month, inclosing to me a copy of an official communication he had just received from Senor Lerdo de Tejada, the Mexican Minister of Foreign Affairs, informing him that General Carvajal had incurred the displeasure of his Government, was to be tried for alleged official misconduct, and had "ceased not only in his capacity of Governor and Military Commander of The State of Tamaulipas, but also in the commission and authorizations that had been previously granted him, and gave occasion to his going to the United States, where he entered into engagements of which" Mr. Romero was aware. Senor Lerdo's note directed Mr. Romero "therefore, to make this resolution known to such parties as General Carvajal may have left something pending with in regard to public business," and concluded as follows:

"In conformity to the other resolutions, which have been communicated to you at the proper time, everything that General Carvajal might have done in fulfillment of his commission and authorizations should be submitted for your approval; but now, and by virtue of this new resolution, and since he is no longer able to inter-

in what may be done, you alone should interfere in what may have been left unfinished, in accordance with authorizations and instructions from this Government."

APPROVAL OF CONTRACTS—LETTER FROM SENOR ROMERO.

Under date of September 11th, Mr. Romero wrote to me, that had just sent to the Mexican Consul General at New York instructions, empowering him to approve the contracts I might thereafter have occasion to present to him for that purpose; and also trusted me "to stop all purchases or remittances of goods for *matamoras*" until further orders should be received from his Government. Mr. Romero also, in this communication, advised me of action with regard to some contracts I had sent to him for his approval. I quote from his letter:

" As to the three contracts that you sent me with your official te of the 1st inst., I tell you that I approve, in all its parts, the e you signed on the 31st of August with Messrs. Fitch & Co., of e city of New York, for the purchase of 20,000 Enfield rifles, and her arms, ammunition, and military equipments referred to there- to the amount of \$714,750 00.

" The conditions I set to my approval are—

" 1st. That said goods be precisely for the States of the Eastern d Southern lines of the Republic; to which effect, you shall agree to their remittance and distribution with Mr. J. J. Baz, General Baranda, and Don Justo Benitez.

" 2d. That said goods shall be shortly sent to such points as the ove gentlemen shall designate.

" As regards the other two contracts, one for the purchase of coal d the other of rations, as they refer to goods intended for Mata- bras, I can not approve them till I receive instructions from my overnment."

MY REPLY TO MR. ROMERO.

I immediately replied to Mr. Romero, acknowledging the receipt his communication of September 10th, inclosing his copy of the icial communication of the Mexican Minister of Foreign Af- rs, and assuring him of my readiness to act in accordance with e instructions therein contained.

MORE TROUBLE FROM AN OLD CAUSE.

Owing to the delay that had ensued, the gentleman whose contract Mr. Romero had approved, as above related, became disgusted and revoked his engagement, (a repetition of what had occurred rather frequently of late, on account of the delay in the approval of contracts.) Fortunately, I soon found another party who agreed to furnish me with a large quantity of stores, on favorable terms; but when I took my contract with him to the Mexican Consul for his approval, I was greatly disappointed to learn that he was still without the required instructions from the Mexican Minister. Again I communicated with Mr. Romero (this time by telegraph) on this vexatious subject of the approval of contracts: and on the 14th I received his reply, stating that the desired instructions had been mailed to the Consul at New York, on the 12th; while the latter official failed to receive, as he informed me, until the 17th of that month.

I AM REQUESTED BY MINISTER ROMERO TO SEND MUNITIONS TO
MICHOACAN.

September 19th, Mr. Romero wrote to me :

"I inclose you a list of stores which Mr. Baz has sent me, stating that those are the goods wanted for the State of Michoacan. If you can make these purchases according to my instructions, and send the articles in conformity with Mr. Baz's suggestions, you are authorized to do it. These goods will be bought, besides those referred to in your last contract approved by me, in case the latter are not sufficient to cover the demand of the three gentlemen I have referred you to, viz: General Baranda; Mr. Benitez and Mr. Baz. My object is to provide the States represented by these gentlemen, with your last contract, and if this is not sufficient, we may have an additional one."

The contract here referred to by the Mexican Minister, as though it were an assured success, had been lost some time before, as we have shown; the owner of the goods having changed his mind during the long delay about the approval of the contract, and revoked his engagement, although the negotiation had already cost him several thousand dollars,—a loss which he preferred to sustain,

ther than adhere to a contract the long deferred approval of which
l inspired him with distrust.

THE SEIZURE OF THE "EVERMAN'S" CARGO—THE STATEMENTS OF THE
RETURNED PASSENGERS OF THAT VESSEL.

At this stage, September 18th, 1866, the steamer "Everman" returned to New York, with all those who had gone out on that vessel to Mexico, save General Wallace and Mr. Stocking. These returned passengers, as well as letters received from several other distinguished and credible gentlemen, who were witnesses whereof I wrote, furnished a graphic account of the outrage at Matamoras, and the shameful treatment they had received there. These several narratives, spoken and written, corroborated each other in material particulars, and established clearly that General Carval had acted a strictly honorable part in regard of the passengers and cargo of the "Everman," but in this had been unsupported, as the almost general feeling of his associates and subordinates was one intense hostility to citizens of the United States; that the news of the coming of the vessel and cargo had preceded it at Matamoras; that a revolt against the authority of General Carvajal had been planned to take place immediately on the arrival of the "Everman," and which contemplated the seizure of the cargo; that the programme was carried out; and while General Carvajal, ignorant of the plot, was proceeding with the discharge of the cargo, and when but a part thereof had been stored in the Government warehouse, the officers and soldiers under his command suddenly rose in revolt against their commander—whom they would have killed had he not barely escaped across the Rio Grande,—seized the stores that had just been landed from the "Everman," threw into prison the American citizens who had come to them as friends to aid their country, and who were only released through the intercession of the American Consul at that port. It so appeared that General Wallace had at once gone to Chihuahua to report to President Juarez what had occurred; and that Mr. Stocking had faithfully remained to discharge his trusts, by protecting the interests of the legitimate Government of Mexico, and of all other parties concerned in the cargo.

The above is the substance of the true story of the affair at Matamoras, and which shall be related more in detail, toward the close of this statement, in Mr. Stocking's report. And I ought to

add in this connection, that the returned passengers of the "Everman" freely expressed the belief that the revolt had been procured and put into effect by the leading military authorities of Mexico, with the privity and connivance of the Mexican Government itself, with the design of deposing General Carvajal; and purpose executed on the arrival of the "Everman," that the Mexican authorities might possess themselves of her cargo, and yet be in position to refuse payment therefor, under the plea that the stor had been seized by revolters, and had not been delivered to the legitimate authorities.

MY ENDEAVORS TO PREVENT THE SEIZED CARGO FROM BEING APPROPRIATED.

I again directed Mr. Stocking, by telegraph and by post, to use all efforts to protect the interests of the Mexican Government and the cargo of the "Everman," and not permit it, if possible, to be appropriated or wasted by the traitors. Subsequently, I again telegraphed him, pursuant to Mr. Romero's direction, to deliver the goods he had been able to preserve from spoliation to General Tapia—who had been appointed to succeed General Carvajal Governor and Military Commander of Tamaulipas.

THE EFFECT OF THE MATAMORAS OUTRAGE ON THE MEXICAN CAUSE IN THIS COUNTRY.

The true story of the Matamoras outrage had the natural effect of retarding the efforts being made to obtain aid in this country and Mexico, by deepening and widening the feeling of distrust in the ability of that Government to overcome its foreign enemies, compel the obedience and submission of its own citizens, and keep its obligations with foreign creditors: and nearly every pending arrangement for supplies yet undelivered was defeated. I reported the existing state of affairs to Mr. Romero, and urged him to assist me in re-establishing the confidence that had been lost, promptly settling all the accounts relating to the shipments by the "Everman," which would be no less an act of justice than good policy.

AN UNSATISFACTORY LETTER FROM MR. ROMERO.

Mr. Romero replied on the 20th, saying :—

“ When you have transmitted to me the detailed information you promised about matters on the frontier, I may possibly suggest something for the security of the Mexican interests. In the meantime, I repeat to you, that when General Tapia will have assumed the commandment of Matamoras, all will be right.”

Such vague and unemphatic generalities as those last above quoted could have no effect in allaying or removing popular distrust of Mexican credit and the apprehensions of bad faith on the part of that country, but would serve to increase them rather. If the accredited Representative of that Government in this country seemed distrustful of his Government’s intentions, by thus evading effectual and explicit assurances of its purpose to settle with creditors, surely the people of this country could have little confidence in his Government.

I HAVE AN INTERVIEW WITH MR. ROMERO, AND SUCCEED IN PERSUADING HIM TO ADOPT A MORE SATISFACTORY COURSE.

I therefore resolved to see Mr. Romero in person; and on the evening of the day his reply last above given came to hand, I left for Washington, where, on the 23d of September, I had a full conference with him. The Minister spoke of the complications that had sprung up from the unfortunate occurrence at Matamoras, in consequence of which he could not empower me, for the present, to deliver the bonds to creditors on account of the “ Everman’s ” cargo, and remarked, that although large authority had been conferred upon him by his Government, he was averse to exchanging the bonds of his Government for the goods embraced in this cargo, until they had been delivered to, and duly received by, some loyal Mexican official of competent authority ; which course, he added, was in pursuance of his resolve from the first, to avoid involvement in the transactions of General Carvajal and the other Mexican officials who had been sent to this country on like missions, unless some inexorable necessity should arise requiring his intervention, or unless his Government should specially direct such intervention. He promised, however, to send his Government a full description

of existing embarrassments, arising from the troubles on the Rio Grande, and had no doubt—especially since General Wallace was at the Court of the Mexican Republic to inform the Government of these troubles, and seek a satisfactory remedy therefor—that he would be speedily furnished with instructions to settle with the creditors whose goods had composed the cargo of the "Everman." And he begged me to assure these creditors that his Government would not forget or break its faith with the citizens of the United States who had sympathized with the cause of the Republic, and had taken its promises in exchange for valuable aid; but, in consequence of the various exaggerated and conflicting reports that had reached his Government about the transactions of its different agents in this country, and the alleged swindling artifices of American speculators to defraud that Government, time would be required before the truth could be ascertained there, the facts eliminated from the misrepresentations, and full justice done to those who had just demands. Mr. Romero urged me to resume my efforts, that no time might be lost in despatching to Mexico the supplies which General Baranda had come here to procure. I promised to use all my powers to attain the wished-for consummation; and again sought to impress upon him the importance of promptly making the long-deferred settlements with those who had already furnished goods, and had received neither cash nor bonds therefor; that the way to facilitate efforts to obtain present and future aid was to gain sympathy and credit by doing justice to the creditors of the past; and that the interests of Mexico were now suffering, and the departures of the "Suwanee" and "Vixen" with cargoes of munitions being delayed, on account of his Government's unfulfilled pledges and unbusiness-like delays.

These suggestions were at first ineffectual to induce Mr. Romero to adopt the prompt and decisive course I recommended: he only replied that I was not so familiar as he with the nature of his people, nor so fully aware of all his embarrassments; and again assured me he would not spare endeavors to induce his Government to promptly settle, according to contract, with its creditors in this country.

But it was expecting too much, that supplies could longer be obtained without money, and without even bonds to secure the vendors. I had succeeded in despatching to Mexico one cargo obtained in that way, but the experience of those who had been in-

duced to furnish me the goods comprising that cargo had been such as to warn others from pursuing a like course. What nation, with a recognized credit, could expect to succeed in procuring from another people, no matter how sympathetic, articles of value, on empty, unsecured promises? A nation could hardly expect so much from its own people. And how could Mexico hope to succeed in this country by such means? Looking back at my efforts and success in obtaining munitions for Mexico, with neither money nor bonds, but only on representations and promises, I wonder at such success, or that I should have even hoped or tried to gain it.

I argued to Mr. Romero, that Mexican credit, always at a low state in this country, had become so thoroughly impaired by recent events, by the intrigues of its enemies, and especially by the affair of the "Everman," that it would be impossible to make further purchases without paying for them with bonds, on their delivery; that a business-like, reliable course must be adopted, and henceforth pursued; that he should fix upon a certain maximum price for every article on the list of supplies he desired to be purchased, and place at my disposal the bonds I might need in making such purchases: and thus I would be enabled to procure, here and there, at this place and that, in small or large quantities, as opportunity presented, the full amount of munitions required. I assured him that verbal promises to deliver promises-to-pay in the future would no longer serve our purpose. Finally, at an interview with Mr. Romero on the next day, he stated that after full deliberation he concurred in my propositions: and then agreed to enable me to furnish vendors with the requisite bonds immediately on the delivery of their goods to me; thus obviating the necessity of formal written contracts—a formality which, as has been shown, was always involving delays detrimental to the cause.

EXPIRED STEAMSHIP CHARTERS RENEWED—GRATIFICATION OF MR. ROMERO.

About this time the charter of the "Suwanee" expired, and on informing Mr. Romero of this fact, he requested me to endeavor to effect a re-engagement of this vessel for ninety days. I succeeded in having the charter extended for the desired period; a result that greatly encouraged the Mexican Minister, and constrained him to express the belief that prospects were again brightening, and the hope that I might be equally successful in obtaining supplies to complete the cargoes of the vessels now under charter.

SOLICITATIONS OF THE MEXICAN MINISTER.

Before leaving Washington, after the interview just related, Mr. Romero urged me to endeavor, in particular, to obtain the greatest possible amount of powder and other ammunition, of which the Mexican army was in especial and pressing need.

EXTRAORDINARY EFFORTS TO MANUFACTURE CREDIT FOR MEXICAN BONDS.

I returned to New York and energetically renewed exertions to purchase supplies with bonds; but found it a difficult work: for many who would have been willing to exchange their goods for Mexican securities, if they could have had reliable assurance that the interest would be paid as it accrued, found, on inquiry at the house of Corliss & Co., that their guaranty of the interest on the bonds they had been authorized to issue would expire October 1st, 1866, and that there was no other security or guaranty of such interest. A grave doubt thus arose in the minds of those who would have been willing to invest in Mexican Securities, content to wait the reasonable convenience of that Government in respect of the principal, if the payment of the interest, as it should fall due, were assured. And here, in my great desire to serve the Mexican Government, I used my own private resources, as I had often done before, for the benefit of the cause. The bonds of Mexico had no credit, it was of the first importance that they should, it was what the Government must earnestly desire, and so I resorted to an extraordinary expedient to give them a value. It was not to be supposed the Mexican Government would be unappreciative of such a service. I arranged with certain brokers in New York City, to guaranty to all whom I should refer to them for that purpose, the interest on these bonds for six months or one year: and to secure these brokers for their guaranty, I deposited with them a sufficient sum in gold. I also authorized them, if they could thereby strengthen confidence in the bonds, to anticipate the first payment of interest, by purchasing the coupons in advance of their maturity, at a slight discount—say, not to exceed two *per centum*,—which discount I agreed to allow them for their services.*

* In view of the Mexican Government's subsequent violation of its pledges to its creditors in this country, there may be some who will be disposed to attribute to me unworthy motives for having assisted that Government to impose (as the sequel shows) on the confidence of citizens of the Uni-

SUCCESSFUL NEGOTIATIONS FOR MUNITIONS.

I was also successful, about this time, in obtaining from a highly respectable and influential firm in New York, who had furnished my State with extensive supplies of arms during the late war in this country, a large quantity of munitions, in exchange for Mexican bonds.

SUCCESS OVER GREAT DIFFICULTIES, IN PROCURING POWDER.

In my endeavors to procure powder, and other ammunition, I encountered great difficulties. The responsible manufacturers of these articles had little or no reliance in Mexican credit; many of them having suffered from the bad faith and want of integrity of past Mexican administrations. But I finally succeeded in this, also. Influential friends in Philadelphia obtained favor for me with the senior member of a prominent powder manufacturing company in Wilmington, Delaware, who, I found, was acquainted with me by reputation, and through previous business transactions, having furnished large quantities of powder to my orders, while I was Chief of Ordnance for Indiana; and who agreed to furnish me, in exchange for Mexican bonds at sixty *per centum* of their par value, five hundred barrels of powder, at the same price he had received for similar qualities from the Government of the United States:—provided, that the Mexican Government would agree to pay an old claim he held for powder furnished that country many years ago; which claim had been duly acknowledged and approved by Mr. Mata, the Mexican Minister at Washington at that time. Of this favorable opportunity to obtain a kind of aid so much

ted States, by the extraordinary efforts I employed to induce them to furnish material aid to the Mexican cause on credit. I think all such will relieve me from any blame in the premises when they reflect that I employed my own means freely and to a large extent in behalf of that cause, and that I am in the same category with the other creditors of the Mexican Government in this country. I think I have proven the rectitude of my motives, and my sincere confidence at that time that the Mexican Government would fulfill its obligations to creditors in the United States—that the Government of Mexico was then composed of honorable men, who would never even think of repudiating debts for the very means of gaining the independence of that country: otherwise I should have avoided involving myself. And should any one feel like inquiring why I should have thus involved myself for the benefit of a Government that had neither evinced the ability of itself to inspire confidence in its bonds, nor acted in a prompt, business-like manner with those who trusted it, a satisfactory answer would be no hard matter. I would reply that I attributed, at that time, all these short-comings, to the reasons solemnly given me therefor by Senor Romero and other Mexican officials, namely, that the members of his Government were compelled by the necessities of the war to be constantly changing the seat of government, and the momentous character of the struggle they were engaged in absorbed almost their entire attention, rendering communication with their Minister in this country difficult and tedious.

needed by Mexico, I at once informed Mr. Romero by mail, and afterward more fully at a personal interview. He apprised me that he had for some time been aware of the old claim against his country held by the Wilmington gentleman, and said it was just, and urged me to accept that gentleman's terms. The powder was thus obtained on a pledge by the Mexican Minister, which his Government afterward saw fit to violate; but the aid thereby secured was timely, and went far toward making up the supply of that species of munitions Senors Benitez and Baranda had been sent here by their Government to procure.

By ways like these, I at length succeeded in obtaining the supply of military stores required by the three Mexican Commissioners sent to me for that purpose, and all this I effected in strict conformity to Mr. Romero's instructions.

I SHIP A SECOND CARGO OF MUNITIONS TO MEXICO.

On the 11th November, I despatched to Minititlan, Mexico, the steamship "Vixen," with a full cargo of first class munitions, also with Senors Baranda and Benitez and several other Mexicans as passengers, and with my eldest brother as Supercargo. Another brother, Captain Sturm, went out with this vessel to aid Mexico in the artillery service.

SHIPMENT OF THE THIRD CARGO.

On the 27th November, the steamer "Suwanee," whose departure had been so long delayed, finally took sea for Tampico, Mexico, loaded with munitions, in charge of Governor Baz, and having on board a considerable number of Mexican officers.

I INFORM MR. ROMERO THAT A MORE PROMPT AND BUSINESS-LIKE COURSE MUST BE PURSUED—HIS LETTER OF EXPLANATION AND APOLOGY.

Of the dispatch of these two steamers and cargoes I promptly informed Mr. Romero. But while engaged in the details of preparing these vessels for sea, and in the negotiations for the purchase of the stores comprising their cargoes, I had encountered so many difficulties which I considered might have been largely obviated by a more decisive policy, and thorough co-operation on the part of the representatives of the Mexican Government in this

country, that I had become weary of a service in which I had received such inadequate support, and had come to the conclusion that I must either be better assisted and sustained, or discontinue efforts in behalf of a cause in which I had been serving to the absolute neglect of private interests, and in which I had incurred such large outlays of my own resources. I considered that the difficulties in the way of obtaining material aid on credit, in this country, for Mexico were largely attributable to the unbusiness-like and dilatory policy pursued by that Government; a policy necessarily reflected in the course of its representatives here. I was then disposed to blame them for much of what I now know should be charged to the fault of their Government. They could not be decisive, and hearty, and straight-forward, and explicit, when they were serving a Government who might censure, instead of reward them for their course, and refuse to ratify their acts. But the effect on me was the same, whether it proceeded from the fault of the Government, or its individual representatives here. I had not been adequately supported; and had lately come to have especial cause for complaint of a want of promptness and energetic action on the part of the Mexican officials in this country. The Minister seemed to me to be laboring under restraint, and fearful of exercising the necessary responsibility. The Mexican Consul at New York manifested no active interest in my efforts, and was frequently absent from his office whole days, so that I could not find him when it was of the highest importance to have his official signature to documents; and I finally resolved to inform Mr. Romero of these and the other like reasons which impelled me to discontinue this service, unless the remediable hindrances of which I complained could be removed. I accordingly wrote him to this effect on the 17th of November, 1866; and I can best do Mr. Romero the justice I desire—for my present purpose is not to complain of him, but of his Government—by quoting the material portions of his reply, written under date of the 19th of November:

* * * * *

"I am fully aware of your energy and activity, and I am persuaded that without you we could not have sent any arms or ammunition home. I am also satisfied of your integrity, and as proofs of this I have placed large amounts of money at your disposal. But I have not been disposed to second every thought and plan of yours, for fear that success will not crown our efforts, as so far as I am acting

under my own responsibility, *having no instructions from my Government authorizing me to send arms or supplies.* I have been expecting to hear by every mail on this subject, but so far I have got nothing. By last mail I heard that General Wallace was at Chihuahua, and that he gave some information about the cargo of the "Everman." I hope that will be the occasion for my Government to send me instructions on this important subject. This explains why I have been sometimes inclined to postpone matters, and at others unwilling to do certain things.

"About things that I was willing to have done, I never hesitate or delay them with "red tape." There were several directions from my Government that I have to comply with, and I tried to do so." * * * * *

"When I see success like the sailing of the "Vixen," I rejoice as much as you do.

"I am not prepared to approve the plan you suggest in your letter of yesterday. If, as I expect, I receive this week my instructions on the subject, I will be prepared to give at once a definite answer."

"Governor Baz was here yesterday; he left this morning, and we have changed the place where he is going to land with his expedition, as he will inform you. *Please send him if possible during this week.*"

It is clear from the general tenor of the communication just cited, as I can now see in the light of experience, that Mr. Romero, anxious to retain the approval of his government, and familiar with the temper of his nation, was fearful of exercising even salutary and necessary responsibilities, lest his conduct should subject him to censure. He seems to have been laboring under a sense of fear that he might incur the displeasure of his Government, in even taking upon himself the responsibility to do what would be for the welfare of his country. The passages printed in italics I have thus marked for the purpose of necessary comment thereon.

When he says, "I have placed large sums of money at your disposal," he means only the bonds issued from the house of Corliss & Co. That these were anything but equivalent to money, I think I have pretty clearly shown. The only appreciable credit they ever had was what I contrived to give them. But the Mexican Minister may be excused for thus flattering the credit of his Government.

what Mr. Romero has to say about having never been instructed by his Government to purchase arms in this country and ship them to Mexico, he doubtless means specific instructions to details; for he certainly had the amplest authority in general terms, as has been shown by documentary proof.

Mr. Romero's letter, last quoted, expressed such decided approval and appreciation of my services in behalf of his country, disclosed so many difficulties that he had to contend with, and manifested so strong an anxiety on his part to aid his country and give me the needed support, that I relented in my purpose to resign, and determined to continue my efforts in the cause which had had my deep sympathy from the first; hoping that the dilatory and uncertain policy that had hindered me so much would give way to promptness and decision, as the success of the armies of the Republic should enable the legitimate Government to permanently re-establish its seat, and freely and uninterruptedly communicate with its representatives in the United States.

FURTHER PURCHASES OF MILITARY STORES.

Directly the "Suwanee" had been dispatched to Mexico, I left New York for Hartford, Springfield, Boston and other places, to procure, if possible, the supplies needed to complete the amounts which General Baranda and Governor Baz had been sent to this country to obtain; two cargoes of which I had already succeeded in purchasing and sending to Mexico. While on this journey, I engaged with a number of prominent Massachusetts manufacturers to accept in exchange for a large quantity of military stores Mexican bonds at the rate of sixty *per centum* of their nominal value. These engagements were subsequently approved by the Mexican Consul at New York, in accordance with Mr. Romero's direction, and the goods delivered to my order by the month of March, 1867. The munitions were direct from the manufacturers' hands, new, of the most approved descriptions known to the service, strictly of the first-class in all respects.

LOSS OF THE "SUWANEE" AND CARGO

On my return to New York, on the 8th of December, I learned by a letter from Mr. Romero, that the "Suwanee" had been lost at sea: which disaster I shortly ascertained had occurred on

the 4th of that month, off the Coast of South Carolina, during a heavy gale, which had been very disastrous to shipping in general, and by which the "Suwanee" and cargo had gone to the bottom. This disaster resulted from no carelessness or want of prudence on my part; but was simply one of those unavoidable occurrences, not possible to be foreseen or prevented by human wisdom. The vessel had been duly inspected before her departure by the proper United States officers, as well as by my own private inspectors (whose certificates of such inspection I at once transmitted to Mr. Romero:) and in addition to these, the owners of the "Suwanee," men of high standing and reputation in the business circles of Philadelphia, attested the entire sea-worthiness of their ship at the time she was sent to sea on this expedition.*

RETURN OF THE STEAMER "VIXEN."

Toward the close of the month of December, 1866, the steamer "Vixen" returned to New York, with information of the safe arrival of that vessel at her destination, and the delivery of her cargo to the proper Mexican authorities.

AN INTERVIEW WITH MR. ROMERO TOUCHING MY COMPENSATION— URGE A PROMPT FULFILLMENT OF THE CONTRACTS WITH THE OTHER CREDITORS.

Shortly after this, I had an interview with Mr. Romero at Washington, during which he recurred to the question of my compensation for services in behalf of his country, about which he had written me a few days before: and he now requested me to name the sum in Mexican bonds I would be willing to accept in full settlement for such services. In reply, I remarked that the promises had already received from his Government were quite as binding as any other form of Mexican promises, including the bonds; which owed, as I conceived, most of the value they had obtained in this country to my efforts to give them credit. I put in a plea for those whom I had induced to furnish military stores for Mexican bonds that his Government should accord them the prompt payment thei

*I did not insure this cargo, for the reason that I had not been instructed by Mr. Romero to incur the expense of so doing—a precaution I had taken in respect of the cargoes of the "Everman" and other vessels, and which I had not been encouraged by Mr. Romero to repeat. But after this disaster, by Mr. Romero's direction, all cargoes of munitions sent to Mexico were insured; the means for which insurance, I may add, were provided by myself.

confidence in its pledges, and valuable assistance of its cause, entitled them to receive. And as regarded my own compensation, I expressed my willingness to leave that to his Government's sense of justice; desiring to be classed, in this respect, with Messrs. Corliss & Co., who had entered into engagements with his Government shortly after myself, and, though in a different way, to assist in the success of the same cause. Mr. Romero expressed himself much gratified at what he was then pleased to call my "generous disposition;" and again assured me that, so far as he was concerned, (and he doubted not his disposition, in this respect, was shared by his countrymen generally,) no means should be omitted to impress the Mexican Government with a fitting sense of the extent and importance of my services, and that strict justice should be accorded the friends who had so valuably aided me in behalf of his country. I also took occasion to remind him of the unsettled *status* of the contracts connected with the cargo of the "Everman"—none of the stores sent out on that vessel having been paid for,—and of the unsatisfied contracts for the charters of the "Everman" and "Suwanee;" and urged the great benefit that would result to the credit and good name of his country, by according to these creditors the justice that had so long been deferred. But I could not induce him to comply with these recommendations: he was still averse, in the absence of special instructions, to taking any responsibility respecting the early contracts made under the authority of General Carvajal. However, he agreed to, and subsequently did, settle for the charter of the "Vixen," and that part of the cargo of the "Everman" which had been received for by the lawful Mexican authorities; promising to do similar justice in regard of the remaining unsettled contracts so soon as he should receive the requisite authority from his Government, for which, as he stated, he had repeatedly written, and which he was daily expecting to receive.

PURCHASES FOR BONDS ORDERED TO BE DISCONTINUED.—PARTIAL
FULFILLMENT OF CONTRACTS.—THREATENED TROUBLE.

About this time, Mr. Romero received from his Government instructions to make no further purchases for bonds; and at his request, I rendered him a detailed statement of the stores I had in hand for the Mexican Government. On which, Mr. Romero promptly furnished the bonds necessary for meeting the contracts

made under his own exclusive instructions; which bonds I at once delivered to the proper persons. But in regard of the contract with the Powder Manufacturing Company before described, he only provided for fulfilling that portion relating to the powder obtained in pursuance thereof, and declined to liquidate, according to agreement, the old claim held by that Company, until possessed of the necessary authority from his Government; the receipt of which he was daily expecting. But Messrs. Dupont de Nemours & Co., who had been induced to furnish the powder under the solemn agreement that their old claim should be promptly settled along with the new debt, and having previously formed an unfavorable opinion of Mexican integrity from their inability to obtain payment of the old claim aforesaid, regarded the present proposition to still further postpone the settlement of a long over-due obligation, as a fresh proof that further bad faith was contemplated, and would consent to receive no less than the entire satisfaction of their contract with the Mexican Government. They refused to receive the bonds tendered for the powder, unless the long dishonored claim held by them was paid at the same time; and they declined to deliver the remainder of the powder yet due under their contract, for the same reason.

HOW I ADVANCED FUNDS TO MAINTAIN MEXICAN CREDIT.

I acquainted Mr. Romero with the resolution of Messrs Dupont, De Nemours & Co., which was both natural and just, and urged him, if he did not feel at liberty to take the responsibility of settling this old claim, according to contract, until instructed so to do by his Government, to furnish me the requisite amount of bonds for that purpose, and charge them to my account, and I would on my own responsibility take up the claim; trusting to the Mexican Government for its approval of so manifest an act of justice, and so necessary for the preservation of his country's credit and honor. I represented that this would be politic as well as just; that the company had been liberal in its dealings with his Government, had trusted in its pledges with a generous confidence, and being men of prominence and influence, it was important to have their good-will and confidence in the future. To this Mr. Romero replied that he would be glad to accede to my request, and if he should not shortly receive the expected instructions from his Gov-

ernment, he would give to me, on his "own responsibility," the bonds required to "settle the old credit" referred to. But considering it highly damaging to the cause to wait longer for the uncertain arrival of these instructions (which indeed Mr. Romero never did receive,) and deeming it of the utmost importance to maintain the little credit already gained for Mexico, and as my own reputation was involved, since it had been largely on the strength of my own assurances and pledges that the engagements in question had been brought about, I again urged upon Mr. Romero, at an interview with him in Washington, to take the necessary responsibility. But the Mexican minister, although admitting the justice of the claim and that good policy called for its immediate settlement, and reiterating his confidence that his Government would speedily authorize its liquidation, was nevertheless opposed to either assuming the responsibility of anticipating the expected instructions, in the ways I had proposed, or to charging to my account the necessary bonds for that purpose. He proceeded to explain that his Government had expressly charged him to refrain from issuing any more bonds than could be avoided; and he was of opinion that his Government had it in contemplation to settle its remaining debts in this country by other means than bonds.

I replied that whatever general financial measures his Government might be contemplating, the claim in question should be met now, by a full satisfaction of the agreement, and not by fresh promises of future satisfaction; that the present case involved his country's and my own honor, and that to preserve these—since he was unauthorized by his Government to exercise the necessary authority in this particular instance,—I would, with his approval, raise the money on my own individual responsibility, and so take up the drafts that had so long been dishonored, and rely on his Government for re-imbursement for the advance thus made to preserve its credit.

Mr. Romero feelingly expressed his pleasure at this proposition, saying that he would be careful to represent my conduct in its true and favorable light to his Government; which he felt assured would not only be duly grateful, but would properly reward me for "this new evidence" of my "good disposition" toward his country. I accordingly obtained on my own credit the necessary funds, took up the old claim that had caused me so much anxiety and annoyance, settled for the powder according to contract, received the

company's receipts in full of all demands against the Mexican Government, and promptly apprised Mr. Romero of my success.

RETURN OF THE SUPERCARGO OF THE "EVERMAN."

February the 24th, 1867, in company with Mr. Stocking, formerly General Carvajal's private secretary, I went to Washington for the purpose of a conference with the Mexican minister. Mr. Stocking had just returned from Matamoras, where he had been sent, as I have related, as the Supercargo of the "Everman," and had remained there until recently to attend to the interests of the Mexican Government in the cargo of that vessel; and my present purpose was, that he might give the Mexican minister a full verbal narrative of what had transpired at Matamoras, and the troubles that had grown out of the revolt resulting in the seizure of the cargo of that vessel, in addition to the report he had sent by mail, and which I had previously transmitted to Mr. Romero.

MR. STOCKING'S ACCOUNT OF THE SEIZURE OF THE "EVERMAN'S" CARGO, AND HIS EFFORTS TO PRESERVE IT FROM MISAPPROPRIATION.

Mr. Stocking's account, which was fully corroborated by other reports brought to this country on the return of the "Everman," and by additional authentic testimony, was in substance as follows:

When the arrival of that vessel at Brazos was announced to General Carvajal, at Matamoras, he sent his agent in a steamer, with orders to Mr. Stocking and General Wallace to deliver the cargo to this agent, and report at once with the passengers to himself at Matamoras. The cargo was accordingly delivered to the agent and loaded on the steamer sent to Brazos for the purpose, which proceeded to Matamoras with the party that had come out in the "Everman" and arrived there on the 11th of August, 1866. General Carvajal set a strong force of laborers to discharging the cargo, which was accomplished early the next morning: and about 12 o'clock of that day, when the greater part of these munitions had been deposited in the Government warehouses—the remainder, consisting mainly of ammunition, being on the wharf ready for storage,—the officers and troops under General Carvajal suddenly instituted a preconcerted revolt, arrested and imprisoned all American citizens who had gone out in the "Everman," and at-

tempted to assassinate General Carvajal, who only saved his life by fleeing across the river to Brownsville. Through the intercession of the American Vice-Consul at that place, General Wallace, Mr. Stocking and fellow Americans were soon released. The revolters took possession of the stores brought by the "Everman," pillaging, scattering, or appropriating them to their own uses. In this dilemma, Mr. Stocking, for the purpose of saving for the Mexican Government as large a portion as possible of these munitions, or at least of preventing them from being used against that Government, claimed them as the property of himself and other American citizens, and by a variety of expedients endeavored to regain possession of the cargo. In this, however, he failed of success until the 18th of August, when he obtained of General Canales (the chief who had been elevated by the revolters to the authority formerly exercised by General Carvajal) permission to remove to Brownsville, on the American side of the Rio Grande, whatever part of the cargo had not been appropriated or destroyed; Canales refusing to deliver such of the goods as had been pillaged by his troops. During all this time the ammunition and some of the other stores had remained upon the landing place, exposed to the heavy rains which had fallen—that being the rainy season there,—and was in consequence greatly damaged, the ammunition in particular. Meanwhile the resources of Mr. Stocking and the other citizens of this country with him (they had no funds of the Mexican Government) having been exhausted, he took the responsibility of borrowing the necessary means to enable him to transfer the goods to the American side; for which he engaged storage-room in Brownsville, and after several days arduous labor, and at the risk of his life, succeeded in transferring to that place and there storing, though in a damaged condition, the largest portion of the munitions. He then sent messengers to General Escobedo and various other Mexican officials in different parts of that country, to apprise them of the details of the outrage at Matamoras, and what had been done by him for the interest of the legitimate Government, and urging them to authorize some loyal officer of their Government to receive and receipt to him for the stores.

General Wallace, directly the outrage had been committed, went to Monterey to see General Escobedo, the Mexican Generalissimo, to report what had occurred at Matamoras, and to solicit his interference for the recovery of the cargo. Failing to obtain satisfaction

from General Escobedo, General Wallace, next proceeded, for the same purpose, to Chihuahua, the seat of the Mexican Government at that time, to confer with the President and other chief authorities.

Finding however, that there was no early prospect of delivering the stores, since he could find no officer of competent authority or honesty to receive them, Mr. Stocking ordered the "Everman" to return to New York with the citizens of this country who had sailed in that vessel, remaining himself at his post to fulfill the duties entrusted to him and to await further directions. Hardly was the "Everman" out of sight, when various merchants from Matamoras, Brownsville, and neighboring places, fell upon Mr. Stocking with claims for moneys due them from General Carvajal, attached the munitions as the property of the latter officer, and threatened to have them sold for payment of their pretended claims. The owners of the steamer that had delivered the goods at Matamoras also presented a demand for over \$3,000 in specie, which was the amount General Carvajal had contracted to pay them for transporting the cargo from Brazos to Matamoras. Other charges for storage, protection, packing, unpacking, *et cetera* had also accumulated.

Mr. Stocking held these besiegers at bay as best he could: but perceiving that he could not long maintain such an unequal contest; that the combination of claimants formed would, with their charges and pretences of charges, entirely consume the cargo in a short time, having received not a word of assurance or promise of relief from the Mexican Minister or any other legitimate representative of that Government (though several such were in the vicinity, taking no concern in the matter;) and seeing that he was every day becoming involved more and more in pecuniary embarrassments, resolved to sell a portion of the goods to release the rest. In this he was partially successfully, and after a long period of perplexity and annoyances, and many a vain effort to find a loyal Mexican officer authorized to receive and receipt for the goods, he finally succeeded in delivering to duly authorized Commissioners of the Mexican Government, that portion of the cargo which he had saved from out the spoliation at Matamoras, and from the clutches of remorseless creditors. It should here be added, that Mr. Stocking, before being permitted to transfer the stores from Matamoras to Brownsville, had also been compelled, in addition to the

other claims, to pay the charges incurred under General Carvajal's orders, in the first instance, in discharging the goods from the steamer and removing them to the Government warehouse; payment of which was extorted from him, at the peril of his life, by gangs of ruffian laborers, with arms in their hands, and threatening to use them, too, if their clamorous demands were not at once gratified; in which they were encouraged and sustained by the Revolutionary officials at Matamoras, whose interest it was to defeat Mr. Stocking's endeavors.

Such is the substance of the account Mr. Stocking gave to the Mexican Minister.

BROKEN CONTRACTS AND DISAPPOINTED CREDITORS.

Mr. Romero promised to immediately communicate these details to his Government: and agreed to deliver to the appropriate persons the bonds due *for that portion of the cargo which Mr. Stocking had succeeded in delivering to the Mexican authorities, and for which he had received their receipts:* further than this he declined to do until specially instructed by his Government. Not being able to induce Mr. Romero to settle in full for the cargo of the "Everman," the charter of that vessel and of the "Suwanee," and for the purchase of the gunboat "Sheridan," the several interested creditors themselves demanded of Mr. Romero the settlement of their claims according to contract; but to this day they have failed in their attempts to obtain justice from the Mexican Government. I pass over the history of the efforts of these creditors to secure a settlement of their demands, their pressure on the Mexican Minister as well as myself (for having induced them to trust the Mexican Government, they naturally looked to me to aid them in their attempts to obtain relief;) to resist which pressure, the Mexican Minister, fearful of incurring the displeasure of his Government and people, had to resort to many expedients, which must have been as unpleasant and embarrassing to himself as unjust to the importunate creditors. I omit, I say, an account of these transactions, because, though interesting in themselves, they are not so specially connected with my present object as to justify me in extending this statement beyond reasonable limits.

I COMPLAIN TO MR. ROMERO OF BROKEN PLEDGES—HE PROPOSES THAT I ACCOMPANY HIM TO MEXICO TO EFFECT A SETTLEMENT OF THE CLAIMS OF AMERICAN CREDITORS.

Suffice it to say that the vain attempts of these creditors to obtain justice, and the policy that the Mexican Government had disclosed to evade its obligations to those who had trusted it, involving as it did my own reputation and the continued good opinion of valued friends, had inspired me with indignation and a desire to have nothing more to do with that Government; and I determined to go to Washington and have an interview with Mr. Romero touching these matters. But at this interview the Mexican Minister spoke so feelingly and frankly of the embarrassments he had to contend with, and of the pressing solicitations and demands made upon him by the creditors of his nation to settle their claims at once,—demands that it was absolutely out of his power to gratify, however strongly he might desire that justice should promptly be done them,—that my feelings changed from indignation to sympathy for Mr. Romero; whose disagreeable situation at that time no one can deny. He urgently requested me, not for his own sake alone, but for the interest of the creditors, to urge the latter to wait until he had time to hear from his Government in regard to their claims. He mentioned the many impediments, by reason of the war then going on in Mexico, to the interchange of communications with his Government: and expressed the hope that, by the aid of the assistance I had been instrumental in sending to his Country, the war would soon be terminated in favor of the cause of the Republic; when he hoped to be able to give full satisfaction to all the creditors of Mexico in the United States. He had thought, he said, when this triumphant consummation should be gained, of asking me to go with him to his country and there aid him in effecting an honorable settlement with these creditors.

Fully persuaded at that time, from the earnest and ingenuous manner of his conversation, that he was entirely sincere in his professions; believing that Mr. Romero's unsatisfactory policy in the matters of which I have been writing had been controlled by stringent instructions from his Government, rendered necessary by its inability to communicate, except at infrequent intervals, with him, by reason of the vicissitudes of the war which compelled the President and Cabinet to emigrate from place to place; having

also strong confidence in the alleged inflexible integrity of President Juarez, of which I had heard so much; and deeming it best for all concerned, that the course suggested by Mr. Romero should be pursued, I acceded to his request, and agreed to accompany him to Mexico for the purpose he had proposed.

MORE MILITARY STORES WANTED—INABILITY TO OBTAIN THEM FOR MEXICAN BONDS.

But I have been anticipating matters a little out of their chronological sequence; and I will now return to the narrative of my transactions immediately relating to the shipment of munitions to Mexico.

In the month of February, 1867, Mr. Romero introduced to me, by letter, Colonel Don Enrique A. Mexia, as a commissioner from General Pavon, Commander of the Northern line of the State of Vera Cruz, who had come to this country for supplies of munitions; and in regard to whose mission he would soon write me at length. A few days later, the Mexican Minister wrote desiring me to procure a large assortment of munitions for the army under the command of General Diaz, to aid that officer in bringing the war to a speedy and successful close.

I endeavored to obtain the requested supplies, but it was no longer possible to do so with Mexican bonds. The little credit I had manufactured for them had been lost,—partly attributable to the fact that no provision was made, or being made, for the payment of their interest; and, in a larger sense, due also to the unfulfilled contracts with former creditors.

SHIP MILITARY STORES ON PRIVATE ACCOUNT, AT THE REQUEST OF MR. ROMERO.

About this time came a request from General Diaz that a supply of artillery and other arms might be sent to Alvarado, Mexico, to assist in the capture of Vera Cruz; and for the payment of which the money was represented to be in readiness at that place. Also, Colonel Mexia and other Mexican officers assured me that there were sufficient funds at Tampico and vicinity to pay for munitions on their delivery. And after consulting with Mr. Romero, who promised to afford me every possible facility, I concluded to ship to Mexico some arms and other munitions, as a private venture, but under the auspices and protection of the Mexican Gov-

ernment. I agreed, with Mr. Romero, that I would convey to Tampico, free of all charges for passage and freight, Colonel Mexia and his companions, together with such portions of the stores on hand that had been procured for his Government as he might desire:—provided, that the vessel and that portion of the cargo so taken out on private account should be free of all taxes or duties as well as the proceeds of this cargo when sold: to which Mr. Romero gave his consent and approval.

With this understanding, I procured from several Massachusetts manufacturers such supplies as were required; to which were added others, obtained from friends of mine; and on the 31st March, dispatched the steamer "General McCallum" to Tampico, in charge of Mr. Stocking, as Supercargo, with a large cargo of munitions, partly belonging to the Mexican Government; and the larger portion taken out as a private commercial enterprise. Colonel Mexia and eight other Mexican citizens (whose effects amounted to about fifty tons) were passengers on this vessel.

Before the departure of the "McCallum," information of the intended expedition was sent to the authorities at Tampico; and Mr. Romero sent me, by mail, the letters (written in Spanish to officials in Mexico, which had been promised as a means of obtaining from the Mexican authorities the special privileges that had induced me to embark in this enterprise. In his communication inclosing these letters, Mr. Romero says:

"I inclose you one letter for General A. Gomez, and another for Mr. Chase,* which will enable Mr. Stocking to do his business. I can not specify the facilities they might give you there; but I generally recommend them to extend you as many as they conveniently can. If you do not succeed in the disposal of the goods at Tampico, I would suggest to take them to Alvarado, or Matamoras."

MORE CALLS FOR MILITARY STORES.

Under date of April 8th, 1867, Mr. Romero wrote to me:—

"General Berriozabal wishes me to send to Matamoras such part of the goods purchased from Mr. ———† as are intended for him

* The Consul-General of the United States to Mexico; then having his office at Tampico.

† The name of this gentleman, who is one of the largest manufacturers of arms in this country, is omitted because permission to use it in this connection has not been obtained.

He would pay the freight at Matamoras on receipt of the goods. Do you think it possible to send them under such terms? The balance of the goods are intended for General Diaz, and I would prefer to have them sent to Alvarado. As you know, General Garcia and General Benavides are now there blockading Vera Cruz. They lack heavy artillery; and I doubt very much whether they can take the place unless they are supplied with heavy artillery and the necessary ammunition. As the capture of Vera Cruz is of very great importance, I have no doubt that they would be willing to pay well for any artillery that any enterprising party might take to Alvarado. Should you be willing to have any of your friends undertake this, let me know it; I can then send all goods for General Diaz. General Baranda will be at the headquarters of Generals Garcia and Benavides."

I lost no time in endeavoring to put these wishes into execution, made the necessary arrangements, and dispatched, by the schooner "Veto," the desired supplies to General Berriozabal. I proceeded to arrange for sending a supply of artillery and other arms to assist in the capture of Vera Cruz; but before these could be shipped, news was received of the surrender of that place to the army of the Mexican Republic.

PARALLEL CASE TO THE OUTRAGE AT MATAMORAS, BEFORE RELATED.

On the 31st of May, the steamer "General McCallum" returned, and I learned from Mr. Stocking that indignities had been put upon him and the other officers of the vessel, by the authorities at Tampico, and outrages committed touching the rights of American citizens in the cargo, quite as discreditable to the Mexican Government as the treachery and faithlessness that had previously led to the seizure and partial misappropriation of the cargo of the steamer "Everman," at Matamoras. He and his fellow Americans, although they had come to Mexico with valuable aid for that country, and with promises of extraordinary privileges and courtesies, had nevertheless been treated like enemies. The Mexican commandant at that place, General Gomez, previously advised of the coming of the vessel with so valuable a cargo, had usurped an absolute, irresponsible control of the port, and immediately on the arrival of the "McCallum," seized ship and cargo; which were only

released by the prompt and gallant action of the late Captain Maxwell, commanding the United States ship-of-war, "Yantic." The vessel was thus freed from the clutches of the greedy usurper; who next subjected the officers to further annoyance and expense, by requiring them to proceed about seventy miles up the river and there discharge that portion of the cargo which I had purchased with the bonds of Mexico. The ship was then allowed to return to Tampico. But during the enforced voyage up the river, owing to its tortuous course and swift current, the "McCallum" ran ashore and sustained damages, as the owners claim, to the extent of several thousand dollars; for which loss they have held me responsible. And on the return of the steamer to Tampico, Gomez would not permit her to go to sea again; but then and there compelled the discharge of the remaining and principal portion of the cargo, the property of American citizens (assigning as a pretense for this exaction the circumstance that the vessel had originally cleared for that port,) and insisted on the immediate payment of all the duties ordinarily imposed on merchant vessels—decidedly rigorous treatment, it must be said, of the citizens of the United States who had been induced to undertake this enterprise under the promises of extraordinary courtesies and privileges; and wantonly outrageous when it is considered that the cargo was composed of the very means of success so essential to the Mexican army. And now Mr. Stocking had returned to inform me of all this atrocious treatment from an official of a Government for which I had done so much; having left my brother behind at Tampico to protect, as best he might, individual interests in the cargo. But concerned as I was, and mortified and indignant, I could but wait for affairs to take their course.

FINAL SHIPMENTS OF STORES.

This last outrage increased my desire to bring my engagement with the Mexican Government to a close; and I exerted myself to ship to Mexico the remainder of the military stores on hand and so close accounts. Accordingly, I engaged the necessary vessels, and before my journey to Mexico that autumn had sent to the Mexican Government all these munitions.

I RENDER MR. ROMERO A FINAL REPORT OF MY TRANSACTIONS.

How the struggle terminated in the triumph of the cause of the Republic, the extermination of the foreign Empire, the capture and execution of Maximilian, and the expulsion of the foreign invaders, are matters of history I have no need to repeat here. There was now no further need of the services I had for two years been engaged in performing, and which I think I have shown had much to do with securing the triumph that finally crowned the struggle of the Mexican people for independence; and now that Mr. Romero was about to terminate his ambassadorial services, and was preparing to return to his country, I submitted to him, on the 23d of August, 1867, a final report of my transactions as the Agent of his Government, with summary statements of accounts of the arms and other munitions I had purchased and shipped, the vessels chartered, &c.; the vouchers for which, as well as detailed statements of the same, I had already furnished him from time to time, as occasion required.

IN INTERVIEW WITH MR. REMERO, TOUCHING MY OWN CLAIMS AND THOSE OF THE OTHER CREDITORS.

Shortly prior to rendering the foregoing report, at an interview with Mr. Romero, in New York, the subject of my projected visit to Mexico with him, for the purpose of effecting settlements with his Government of my claims and those of the citizens of this country who had been induced to aid his cause, was introduced and discussed. I stated to Mr. Romero that my first object, and chief concern, was to bring about an early and satisfactory settlement in behalf of the creditors in this country who had furnished material aid for the Mexican cause through my solicitations. These creditors, I urged, would quite naturally look to him and myself as being obligated to industriously endeavor to effect an early settlement of their claims; for it had been through our agency and promises that they had been induced to trust his Government: most of whom had not even received the bonds that had been promised them as a guaranty of payment; and the others, to whom Mexican bonds had been delivered, had never been paid any of the accrued interest thereon, which was now much in arrears:—strict justice for these creditors, I said to Mr. Romero, was my first desire. In respect to the remuneration for myself and the friends who had

co-operated with me in effecting the results I had attained, as Agent for his Government, a liberal latitude would be allowed.

I reminded the Mexican Minister of what had passed between us, when at a former interview he had brought up this subject; how I had then expressed my entire confidence that the Mexican Government would fully compensate and reimburse me and my friends for all our services and expenditures in its behalf; and how I had then preferred to let this subject remain yet awhile longer *in statu quo*; since his Government was not at that time in full possession of the territory of Mexico and its revenues, and I could not then tell in what manner my compensation and remuneration might most conveniently be made; and it was not possible at that time to foresee how long the war might be prolonged, or what additional services I might be called on to perform. But now that the war had triumphantly ended, and I was to accompany him to Mexico, to effect a settlement with his Government, and as he was more familiar than I with the financial condition of his Country, I desired his opinion as to the probable manner in which remuneration for my services, and satisfaction of his Government's agreements with me generally, would most probably be made. I remarked that he was fully cognizant of the nature and extent of the services I had rendered, and valuable influences I had enlisted in the active behalf of his Country. I further observed that it was natural that his Government's finances should have become disordered and the Treasury depleted by the war, and that, in consequence, it might be inconvenient, if not difficult, to remunerate in ready money myself and the friends who had assisted and co-operated with me in my labors: for which reasons, it would probably be more convenient for his Government to put our compensation in some other form less onerous for itself, and equally valuable to us. I reminded him that at a former conversation he had spoken to me of the vast undeveloped sources of natural wealth his country possessed; its great need of public improvements, internal and coast-wise; the needed development of its mines, improvement of its harbors, construction of public highways, etc.; in some of which services he had desired me to engage, on account of what he was pleased to term my enterprise, public spirit, and determination, and in which I might profit myself while benefiting Mexico: and I now asked him what inducements, special privileges, and franchises, in regard of these, his Government would probably be willing to confer on me and friends, as compensation

or the services we had rendered under the agreements of that Government with me. I remarked that it was in the power of his Government to grant special favors in these respects, that would cost the treasury nothing—but would benefit it instead—and which I would quite prefer to any form of promises-to-pay, whether in the shape of bonds or otherwise. That is to say, in respect of our services to his Government in the procurement and shipment of arms, and in a political capacity—including the outlays of money in the latter service—I and the influential friends to whom I was indebted on account of the aid and influences they had given me, would be willing to receive, as full compensation, special privileges, grants, or franchises, as above stated: but as to the outlay from my own private means I had incurred in meeting the expenditures necessary to effect the purchase of arms, and to provide for their shipment to Mexico—under which head I include the money I advanced to liquidate old claims against Mexico, the gold I furnished to anticipate the interest on Mexican bonds, expenses of clerk hire, and the like,—for such outlays, I should expect re-imbursement in kind.

MY DESIRE TO ESTABLISH MORE INTIMATE RELATIONS BETWEEN THE UNITED STATES AND MEXICO.—HOW A WELL-MEANT DESIGN WAS FRUSTRATED.

In reply, Mr. Romero said that he could not, of course, in advance of his return to Mexico, state particularly what his Government would do; yet I could not but obtain great favor in its estimation for the sympathy, consideration, and generous disposition I had shown; that his country was in especial need of American capital for developing its resources, and improving its natural advantages: and he had no doubt that if I would accompany him on his return, I would be arranged to the satisfaction of myself and friends, and the other creditors spoken of; especially since I was willing to allow his Government so wide a latitude in settling, without requiring a satisfaction in cash of its agreements with me.

Ascertaining from Mr. Romero that he had formed the design of turning home some time in the following September, *via* Havana, either the English or French steamer, I suggested to him that it might result in benefit to both countries, if he would invite some of our distinguished and influential public men to accompany him, as they might learn something of the resources and condition of

Mexico; which would be of especial advantage to the latter country, if—as was at that time anticipated—it should require further assistance from the Government or people of the United States. And, should this proposition meet with his concurrence, I further proposed to charter and furnish, at my own expense, a vessel to convey himself and family, and invited guests, to Mexico, and return the latter on the expiration of their visit.

The Mexican Minister, aware of my desire to establish a more thorough amity and intimate relationship between the two countries, at once agreed to the suggestion and accepted my offer. I proceeded to put the design into execution, and, after considerable pains to secure a comfortable vessel, obtained a fast sailing and desirable steamer, the "Chicamauga," then lying at Baltimore which I caused to be overhauled, refitted, and furnished for my purpose. But, after I had spent considerable time, and incurred an expense of several thousand dollars in fitting out this vessel in becoming style, Mr. Romero changed his mind, and, early in October, informed me that he had just received and accepted the offer of an United States Revenue Cutter, the "Wilderness," for the purpose for which I had engaged the "Chicamauga."

Mr. Romero's acceptance of this offer, (evidently estimating at a high value the compliment it signified, and the favorable impression as regarded himself, it would make on his Government,) defeated the chief object that I had in view in the engagement of the "Chicamauga"; for the "Wilderness" was a small vessel, scarcely sufficient to carry Mr. Romero, his family, and *suite*, leaving no room for the proposed invited guests: and so I was compelled to abandon the design to which I had attached such considerable importance and in which I had expended no little time, pains, and money.

I GO TO MEXICO TO OBTAIN AN EQUITABLE SETTLEMENT OF THE
CLAIMS OF MYSELF AND OTHER AMERICAN CREDITORS.

The "Chicamauga" had to be discharged, and in company with Mr. Tiffet, the financial agent, who, as well as myself, had been requested by Mr. Romero to go to Mexico, and a few friends who had materially aided the Mexican Government, I took passage for Mexico in the regular steamer. This affair of the "Chicamauga" (for the expenses of which, I of course, never intended, nor now propose, to claim re-imbursement from the Mexican Government,

I should have excluded from the present statement, but for the consideration that it serves to illustrate the motive that actuated me, namely, to show to the Mexican Government and people the interest taken in their welfare by leading citizens of the United States, in doing the minister of that country the honor of accompanying him on his return; and thus to bring about the friendly relationship of which I have spoken.

WE ARE ASSAILED, INSTEAD OF WELCOMED, BY THE MEXICAN PRESS.

Our arrival in Mexico was the signal for the press of that country to open hostilities against American citizens in general, and ourselves in particular. Our services and sacrifices for the cause of their country were belittled, our motives disparaged, and it would have appeared to one unfamiliar with the facts that we had come to solicit favors of an unwilling people, rather than to obtain a satisfactory settlement for important services rendered and aid furnished that country—aid and services which had contributed so largely to the recovery of the lost liberties of the Mexican people.

At this juncture Mr. Romero, for the purpose of public information and correcting all manner of ridiculous and unfounded impressions that had obtained belief, published in the official newspaper of his Government a series of official communications or reports, giving a detailed account of what had been done in the United States under the auspices of himself and other Commissioners, in relation to procuring material aid for the cause of the Mexican Republic. Of my own share in these transactions Mr. Romero has the following to say in one of those communications:

* * * * *

"General Herman Sturm, Chief of Ordnance of the State of Indiana, had been appointed by General Carvajal agent for the purchase of munitions of war for Mexico.

Notwithstanding I regarded with natural distrust all the persons whom General Carvajal had brought around him, because as a general thing they inspired me with no confidence, I received such good recommendations of General Sturm, and manifested such good sense when he addressed me about the purchase of arms, that I thought I ought to retain him in the character given to him by General Carvajal, giving him instructions that would prevent any abuse in his position as such. Thanks to the untiring energy and activity of this general, arms and munitions of war were purchased with bonds, and even their transportation in steamers to the Republic, was paid with them.

The first remission was made under the auspices of General Carvajal. General Sturm contracted in his own name for a whole cargo, which was to have been paid

in gold at reasonable prices, on arriving at Matamoras; considering the danger of the operation, and in case the payment should not be thus verified, it was to be paid in bonds at sixty per cent. which was the market price. The cargo left New York greatly to my surprise (for I did not believe the operation could be made,) on board the Steamer "Everman" which arrived safe at Matamoras. Unfortunately when General Carvajal received the effects, the revolution of Servando Canales broke out, which prevented the effects from being used immediately. The agent sent by General Sturm with them, succeeded in saving the greatest part of them; which were at length handed over to Generals Escobedo and Viezca, and which well served both gentlemen in giving a death-blow to the traitors. Said effects not having been paid in gold in Matamoras, I paid in bonds that part of them which fell into the hands of the national forces. Satisfied that General Sturm could purchase munitions of war with bonds at fair prices, I commissioned him to procure those needed by General Pedro de Baranda, an agent from General Alejandro Garcia, second in command of the Eastern line. He bought what he could, and they were sent on board the Steamer "Vixen" to Minatitlan. Fortunately they arrived safe and did good service. General Diaz used them in taking Puebla. Mr. Juan Jose Baz had been commissioned by General Regules to procure arms and munitions of war. The cargo of the "Vixen" having been sent, I recommended to General Sturm the purchase of effects asked for by Mr. Baz, for General Regules. Another cargo was purchased; but in procuring a vessel to take it to the Pacific, great difficulties were experienced on account of the great distance and long time employed in arriving at the point of designation. For this reason, I determined to send said arms to Tampico or Tuxpan, and that Mr. Baz, whom I commissioned to take them, should deliver a part of them to the patriots of the Huasteca and State of Mexico, and the other part to General Diaz.

Mr. Jose Ferrer who had bought arms for the troops of General Alatorre, put them aboard the "Suwanee" which was the same steamer in which Mr. Baz was bringing those arms. Unfortunately this Steamer foundered on the coast of South Carolina and all was lost. This disaster and the favorable aspect the affairs of the Republic were assuming, made me determine to forward no more armament. A short time after I received instructions from the Government to suspend all purchases. General Sturm, nevertheless, to supply the demands made by Messrs. Benitez, Baz, and General Baranda, had made contracts which placed at our disposition other effects. Of these, some were sent to General Berriozabal at Matamoras, at the time he was in a difficult situation in that city, and when they were of great utility in keeping that city subservient to the authority of the Government. Another portion was sent to General Pavon at Tampico, on board the Steamer "General McCallum," when he was besieging the insurrectionists headed by Ascencion Gomez; and the receipt of these arms contributed to their capitulation. The remainder of said effects was sent to Vera Cruz, to the order of General Diaz who having the command of only a division, placed them at the disposition of the Supreme Government.

When General Carvajal was ready to start to go to take charge of the government of the State of Tamaulipas, he recommended me to send him a steamer to blockade Matamoras. When this city should be occupied, she would be of service to take Tampico, which was yet in the power of the traitors. I was told by General Sturm that they had proposed to sell him one, which answered our purposes, at a very reasonable price. After mature deliberation, I determined to buy it for sixty

six thousand dollars. Unfortunately she arrived at Matamoras when General Carvajal had been displaced by the rebellion of Canales. No legitimate authority was found to whom to deliver her and she remained at Brazos de Santiago. When General Escobedo occupied Matamoras he was told that the steamer was at his disposal, but not having any instructions on this matter, he declined to receive it. General Berriozabal received her at last, after having layed idle about a year at Brazos de Santiago, and armed her in order to blockade Vera Cruz after the French left, and going to that port she sunk on the coast of Tamaulipas.

Among the instructions I gave General Sturm to purchase arms, there was one by which it was expressly agreed that each contract he would make should require my approval for its validity, with the view of satisfying myself that he purchased only those articles which were wanted, and that their prices were reasonable. Having manifested to me that in these proceedings he often lost the opportunity of making purchases, because persons that one day were ready to sell their goods for bonds, changed their minds on the next, I determined to authorize the Citizen Juan N. Navarro, Consul of the Republic in New York, in whose integrity and patriotism I had the purest confidence, to approve of the purchases whenever he thought their prices reasonable. This was so much more convenient, for as he lived in New York it would be easier for him than for me to know the market prices of the goods purchased. With the exception of two or three cases, in which I approved of the contracts of General Sturm, all the rest were ratified by Mr. Navarro; and once approved, I had nothing to do but to draw on the firm of Messrs. Corliss & Co. for the amount of bonds wanted by General Sturm to pay for them.

As for the prices of the goods bought, I must say here, that considering the want we had of them, and the circumstances and manner in which the purchase was made, they were very fair. Could we have had money to have bought them for cash, undoubtedly we could have gotten them at lower prices; but we must recollect that we paid in bonds issued by a Government that was not established, and much less consolidated; and whose success was so doubtful that, therefore, the holders of such bonds did run the risk, in case that our enemies would triumph, that they would not be recognized by them, or, at least, if we should triumph, of not being paid with the interests, as it has happened. If we take into consideration all these matters, and yet, that the Government of the United States, with an excellent credit, had to sell its dollars at thirty cents, and that the Confederates gave a bale of cotton for each gun, we will come to the conclusion that the price of sixteen dollars in bonds we paid for Enfield and Springfield rifles was not so high.

When we reflect that we bought at the time when each gun was of inestimable value to us, and when our credit neither was, nor could be very high, and we reflect that the arms were sent under circumstances that were necessarily very urgent, to Generals Carvajal, Escobedo, Viezca, Diaz, Garcia, Berriozabal, Pavon, and others, the good service which they have rendered, the moral effect which the news of the issuing of the bonds and the purchase of arms produced in the Republic, discouraging our enemies, including Napoleon, and encouraging our friends, which I had an opportunity to know by the great number of commissions sent to me from all parts at Washington; and when we consider that all this was accomplished with less than two millions of dollars in bonds, which at their market price can now be bought up for two hundred thousand dollars,—I think that nobody will believe that there was any bad management, or that the Republic was unjustly brought in debt.

In many other nations, it will be believed, on the contrary, that prodigies had been effected, with an amount relatively insignificant.

The power the Government gave me to procure means was very ample. Not expecting to obtain those means, I made use of my authority to approve or disapprove of the arrangements of other Commissioners, and to authorize the purchase of articles of war." *

FAILURE OF MY VISIT TO MEXICO—BASENESS AND TREACHERY OF THAT GOVERNMENT TO ITS AMERICAN CREDITORS.

I remained at the Mexican Capital for more than three months, vainly endeavoring to effect the object of my journey, namely, to obtain from the Mexican Government satisfactory settlements of the claims of myself and of the other citizens of the United States who had furnished material aid to the Republic of Mexico, according to our contracts with that Government. It must not be understood that I went there to make unreasonable demands—to ask of the Mexican Government that which it was not able to grant. I did not ask immediate cash payment of my claims or those of the other American creditors whom I was representing. All that I requested was an honorable fulfillment by that Government of its agreements with myself and the creditors I represented. For myself, I asked only reimbursement for the moneys I had incidentally expended in the purchase and shipment of arms to Mexico, and in liquidating old claims against that Government which stood in the way of obtaining credit for military stores in this Country; and for all my other expenditures in the service of that Government, as well as for compensation for my services and for those who had co-operated with me in effecting the success I had attained, I asked only an equitable fulfillment of the Mexican Government's agreement with me. I did not demand in behalf of the other creditors I represented, nor did they expect, payment at that time of their claims against Mexico. What I asked in behalf of these was, an equitable fulfillment of the contracts under which they had furnished the Mexican Government material of war, etc., —*security for their claims—payment in bonds for those who had not received them as had been promised—and some provision for paying the overdue interest on that comparatively small portion of bonds that had been delivered to these creditors.* But the Mexican Government studiously avoided, during all that time, any encouragement of my mission, or apparent entertainment of my more than gener-

* This extract is from a literal translation of Mr. Romero's communication, furnished by him to an English newspaper in the City of Mexico, and published therein simultaneously with its publication, in the Mexican vernacular, in the official newspaper of that country.

ous propositions; carefully refraining from making any proposition even looking to a settlement, or so much as acknowledging the validity of the claims for which I was seeking satisfaction, or manifesting the slightest show of gratitude for the assistance that had been so generously furnished the cause of Mexican Independence by citizens of the United States.

Finally, convinced that I had been laboring under a delusion in expecting that the Mexican Government would act an honorable part toward myself and fellow creditors, and satisfied from my own treatment and the shameful outrages I had seen perpetrated on American citizens, under the very eyes of the Mexican Government, that I could not hope to accomplish the objects of my journey, I prepared to return home. For this purpose I proceeded to make the necessary preparations. But information of these preparations coming to the knowledge of Mr. Romero, that gentleman—evidently apprehensive of the unpleasant effects that might ensue on my return to the United States with information of the treatment I had received—called on me, just before the time of my intended departure for home, saying, that he had labored, ever since my arrival in his Country, to induce the Secretary of Foreign Affairs, Mr. Lerdo, to equitably settle with me and the other American creditors, but had failed to effect that result: and now he was come to announce that he had been authorized by Mr. Lerdo to make a proposition. What was this proposition so tardily made? It entirely ignored the claims of the creditors I represented. As for myself, it offered me, *as a full settlement*, the sum of \$41,000, in specie, as reimbursement (but without interest) for that portion of my incidental expenses, relating to the purchase and shipment of arms, and to the liquidation of long overdue claims against the Mexican Government, of which I have heretofore made mention in this statement, and \$11,000, in cash, as payment for all my services and those of the friends to whom I was obligated for their assistance; which offer I was given to understand, was the best the Mexican Government chose to make, and which I might accept or not, as I preferred—thus utterly ignoring, as I have said, the claims of the citizens of this Country who had been for the past few years so generously aiding and trusting that Government; appreciating the services of my friends at nothing, and my own at next to nothing; ignoring over two-thirds of my expenditures in behalf of the cause of the Mexican Republic; and disregarding the grants and other rewards,

solemnly pledged to me, by the duly authorized Commissioner of the Government of that Republic.

A proposition so dishonorable to the Mexican Government, and so outrageously inadequate, excited in me mingled astonishment and indignation. I promptly refused to accept it; and recalled to Mr. Romero's mind the promises and pledges made by his Government to the citizens of the United States, under which they had been induced to become the creditors of Mexico; toward whom a huge and glaring breach of faith was now proposed by his Government. I recapitulated the solemn obligations of the Mexican Government with myself, the services I had performed and induced others to perform for the cause of his country, the outlays of money I had incurred, and my obligations to others for co-operation and assistance; all of which I had done, under the firm conviction that his Government would, like an honorable nation, keep its pledges. I repeated to him that I had not come to ask a rigid satisfaction of the claims of myself and friends and the body of American creditors I was representing. All I desired was an equitable fulfillment of the pledges of his Government. I wanted to know what prevented his Government from confirming my title to the land grant executed to me by General Carvajal, acting for the Mexican Government, and which I had already pledged, in part, to others for valuable assistance in behalf of his country. And I inquired what there was to hinder his Government from granting me some of the special privileges or franchises, about which we had spoken in the United States, and which I had proposed to accept, as substitutes for money, in compensation for my services and remuneration for my expenditures, except the sums I had expended in the purchase and shipment of arms.

To all of which, Mr. Romero only answered by shrugging his shoulders, and saying that his Government was opposed to concessions of these kinds to foreigners, and especially to Americans, and that Senor Lerdo de Tejada did not deem it "convenient" to grant to foreigners any of the concessions of which I had spoken. (By all of which it appears, I think, that "inconvenience" is a Mexican term for indisposition to pay debts in any manner whatever.) I energetically remonstrated with Mr. Romero against the faithless course his Government seemed to have resolved to pursue toward its deserving creditors; and assured him that his country could not but be the loser in the end by such conduct; and

spoke of the position I was now placed in of being compelled, when confronted by the citizens of the United States whom I had induced to trust his country, to contradict the very assurances I had made them. On which, Mr. Romero more than intimated that I was taking too much concern about these creditors. Mr. Lerdo did not consider it "convenient" to settle with them at present; and regarded their demands as mere claims against his Government, which, at some indefinite time in the future, might be prosecuted under a treaty between the two Governments. Of this "New Way to Pay Old Debts" I think I need not attempt to show the intent and insufficiency, as both are sufficiently transparent without explanation or comment.

Mr. Romero assured me with much earnestness that he was now, and had always been, anxious for just settlements of the claims of American creditors against his Government; but most especially had he wished and labored to obtain for me appropriate recompense for the valuable aid he admitted that I had rendered his country. But he had been unable to secure the approval or co-operation of the other members of his Government in the fulfillment of his desire; and especially had he found Mr. Lerdo, the Foreign Secretary, opposed to taking the prompt and satisfactory action necessary in the premises. He had also unsuccessfully labored to this end with President Juarez. He was still greatly desirous that I, at least, should be fittingly compensated and remunerated, and therefore, urged me to accept Mr. Lerdo's proposition, for the present; adding that by so doing I would make an agreeable impression on his Government; and he himself, as a member of the Mexican Cabinet, would be in a position to advocate my claims for further and more complete compensation. As further proof of his solicitude that I should not be unrecompensed by his Government, he then suggested certain methods by means of which he would be able, as Secretary of the Mexican Treasury, to benefit me financially. But these plans—though doubtless well intended by Mr. Romero—were of such a nature that I could not, under the peculiar circumstances of the case, consent to be connected with them.

I RETURN HOME, AFTER AN UNSUCCESSFUL JOURNEY.

Such was the treatment I received, and such the unblushingly declared faithlessness of the Mexican Government; and finding that I had nothing more to expect, I finally, on the eve of my de-

parture for home, accepted and received the partial re-imbursement tendered me by Mr. Lerdo, *as so much credit on account*; but declined to receive the other offered sum of \$11,000, as satisfaction for my services and general expenditures, or as a *quid pro quo* for the rewards and compensations for which I held, and yet hold, the obligations of his Government:—postponing till a future time my demands on the Mexican Government for a full and final settlement; fully satisfied that I could do no better at that time; and thoroughly persuaded that it was the purpose of that Government to evade, if possible, the payment of its obligations with me and the other creditors in the United States.

FEELING OF THE DISAPPOINTED CREDITORS—I URGE PATIENCE, AND
SUGGEST THE PLAN OF A TREATY.

On my return to the United States, in the month of March, 1868, I found the creditors of the Mexican Government anxious, of course, to learn the result of my journey. I need not describe their indignation at the faithlessness of that Government. Nearly all of them were in favor of at once exposing, through the Press and other publications, the treachery of the Mexican Government, and violation of its obligations; and proposed that they organize without delay for the purpose of bringing influences to bear on that Government which would have the effect to enforce an early payment of their just demands. But I was still in favor of giving the Mexican Government the amplest time to fulfill its obligations with myself and these creditors; and so reasoned with them to be patient and wait yet a while longer; and leave strong language and compulsory procedures as a last resort, when there should no longer be ground for hope that the Mexican Government intended to accord to them a just settlement of their claims. I can best, perhaps, show my disposition at that time and views as to the proper course to be pursued in the premises, by quoting from a letter written by me May 6th, 1868, to some of the leading creditors of Mexico, in response to their request for my opinion as to the proper action to be taken by Mexican creditors in this country. In this letter I said, after enumerating the embarrassments of the Mexican Government, resulting from the exhausting war just ended:—

* * * * *

“ While it is true that the nature of your claims are such as to have entitled you and them to early attention and the most satis-

factory settlement, there may be some excuse to be made from the circumstances I have spoken of; and I yet believe that that Government will, after giving the matter the proper thought, be disposed to render that justice which you demand.

"There have been, as you know, many claims made upon Mexico, which were either extravagant or fraudulent in their nature, and these claims, urged by unscrupulous persons, have met with a readier support, because the tardiness of Mexico to acknowledge her just indebtedness, has created a feeling of distrust and the belief that the fault of all delay was in the unwillingness of that Government to pay *anything* to foreigners.

"The true way to adjust this matter, is, in my opinion, to secure a careful revision of *all* claims now held against Mexico, obtain an official declaration as to the equity and legality of that portion which will stand the test of a close and impartial investigation, and thus enlist the sympathy of our citizens and command the respect at least of the Mexican Government. It seems to me that this is not only the most just but the readiest way to approach a final settlement of all claims, and although it is true as you say that the nature of your claims are such as to demand the immediate and grateful attention of the Mexican Government, there are many excuses to be made for this neglect, and it seems to me that this course is more dignified and will be attended with happier if not more speedy results. A commission composed of good reputable business men, the members of which shall be appointed one half by each Government, respectively, viz., the United States and the Republic of Mexico, could, I think, be secured, and, after carefully weeding out the fraudulent or extravagant from the just and equitable claims, easily arrange for a speedy settlement of the latter. I believe the plan to be feasible and practicable, as well as eminently just to Mexico. For the immediate adjustment of your claims, which, from their nature, you demand should have preference in attention, this plan might not perhaps secure all that you are justly entitled to, in point of time at least; but I think it preferable to the coercive measures advocated by some of your friends and a portion of the Press. We have an undoubted right to demand of the Mexican Government that it shall settle its accounts, and it has the same right to demand the same of us, but I think that all that is desired can be gained by arbitration, not of the sword, but of honest and disinterested men.

"For these reasons I repeat, that in any proper way I am not only willing, but feel it my duty to aid you by any means within my power. I believe that the course proposed by me will lead to much greater and more important results, and eventually secure the object for which I have so long labored, viz : a treaty by which the commercial interests of both countries may be advanced and made reciprocally advantageous."

The plan recommended by me in the above extract found favor with those to whom it was addressed ; and at a meeting of a number of the creditors of the Mexican Government, held in New York on the 5th May, 1868, resolutions were adopted endorsing this plan, and appointing a committee composed of influential merchants of New York City, who were creditors of Mexico, to take such steps as they might deem best calculated to secure the ratification of the proposed measure by the Governments of the United States and Mexico.

MR. ROMERO COMES TO THE UNITED STATES TO PROVIDE FOR A SETTLEMENT OF THE CLAIMS OF AMERICAN CREDITORS OF HIS GOVERNMENT, BY MEANS OF A TREATY.

Accounts of the proceedings and action of this meeting were published in the newspapers of the day, and in due course of time came to the knowledge of the Mexican Government. The effect of these proceedings was, that Mr. Romero was sent to this country fully authorized by his Government (as it subsequently transpired) to conclude a treaty with the United States for a settlement of the claims of citizens of either country against the Government of the other.

At an interview with Mr. Romero in the month of June, he professed his regrets that I should have of late been acting with the "enemies" of his country : by which term he only meant the creditors of Mexico, who were using the only conciliatory means left them to secure from his Government satisfaction of their claims ; and my alleged inimical conduct, which had thus caused him pain, was nothing worse than my co-operation with the other American creditors of Mexico in their endeavors to obtain justice.

I observed to Mr. Romero that the action of these creditors was a very reasonable and justifiable procedure, in view of his Government's unfulfilled contracts with them ; and urged upon him the

importance of speedily concluding a treaty of the character proposed by these creditors. After arguing to him at some length the considerations of justice and expediency which equally dictated the consent of his Government to the plan proposed—to which he could not but agree,—Mr. Romero promised that he would endeavor to effect the conclusion of the desired treaty.

He accordingly proceeded to Washington for the professed purpose of carrying out the understanding between him and the creditors of Mexico in this country: and on the 4th July, 1868, a treaty was concluded and signed by Mr. Seward and Mr. Romero, and was subsequently ratified by their respective Governments.

MR. ROMERO'S CONSTRUCTION OF THE TREATY.

This treaty, which was not promulgated until the formal exchange of its ratification by the two Governments, I was assured by Mr. Romero, and it was so generally understood, comprehended *the settlement of all classes of claims* of citizens of either country against the Government of the other: and months after its ratification by the United States Senate, Mr. Romero again assured me of its sufficiency, in a letter dated at the City of Mexico, October 24, 1868, in which he says:

* * * * *

“ My desire is to settle in good faith the claims of all Americans who helped us in any way during the war with the French. One of my principal objects in going to Washington last summer was to come to an understanding with the Government of the United States about this. Fortunately we succeeded in this, and you know *the treaty which was signed, and which is almost the same you proposed at the meeting at the Fifth Avenue Hotel.*”

I MAKE A SECOND FRUITLESS VISIT TO MEXICO.

While the negotiation of this treaty was being effected, Mr. Romero, in a conversation, stated to me that his Government would much prefer to settle directly, and without recourse to the remedy provided by that treaty, with the American creditors who had claims for material aid furnished the Mexican Republic during the late war in that country.

As I was already contemplating a visit to Mexico to attend to various unsettled accounts for military stores that I had furnished

different local authorities of that country, Mr. Romero's assurance of the desire of his Government to settle with its American creditors was an additional incentive to a second journey to that country and I again arrived at the City of Mexico in the month of November, 1868.

But I found the Mexican Government no more ready or willing to settle with its American creditors than on the occasion of my former visit: on the contrary it was more indifferent, in this regard than before, and seemed to be determined to avail itself of the full privileges of the delay incident to a settlement under the form of the treaty recently negotiated with the United States. The only benefit I realized from this second visit was to obtain, through the efforts of Mr. Romero, a further payment of \$2,500 on my claim against his Government.

MEXICAN TREACHERY AND DISHONESTY FURTHER ILLUSTRATED.

Concerning the result of this visit, and in relation to my efforts to obtain payment for military stores furnished several Mexican officials, on private account, I will add a few words, to show that the treacherous and faithless conduct of the Government was but a manifestation or specimen of the utter disregard of honor and principle that seems to characterize alike the high and low, federal and state, officials *now governing Mexico*—with here and there, as a matter of course, an occasional honorable exception.

I have heretofore described how, during my connection with the Mexican Government as its Agent in this country, when it was no longer possible to obtain credit for Mexican bonds, I induced a number of dealers in military stores, at the suggestion of Commissioners of the Mexican Government, and under promises of liberal concessions and facilities on the part of that Government, to ship a cargo of munitions to Tampico, there to be sold to the Mexican authorities; how I was then assured that the money for their payment was in readiness at that port; how the revolutionary Commandant, Gomez, compelled the discharge of the cargo there, and how the owners of that cargo were disappointed and wronged in the transaction. On my first visit to Mexico, in the autumn of 1867, I endeavored to effect a settlement in behalf of the owners of this cargo; and failing in this object, authorized a responsible firm in the city of Mexico to dispose of these munitions to such of the Mexican authorities as might be disposed to purchase them.

In pursuance of this authority, my Agents sold a large portion of the cargo, to different State Governments of that country, for which payment was pledged to be made as soon as the purchasers should be presented with the receipts of the officials authorized to receive the purchases. But these State officials afterward failed to observe their contracts with my Agents; and on the occasion of my second visit to Mexico, in 1868, I fruitlessly endeavored, also, to effect a fulfillment of these contracts. Among others, I demanded payment of the Governor of Puebla, who was one of these debtors and happened at that time to be in the city of Mexico. To which he answered that the money for the liquidation of his contract with my Agents was at that time in the Custom House at Vera Cruz; and having been advised by Mr. Romero of my presence in that country, and requested to settle this claim, he had instructed the Custom House officials at the above named port, to deliver to me the money in payment of this debt on my demand. But as this gentleman had before violated his promises to my Agents more than a score of times (a literal truth,) I was not disposed, on the present occasion, to repose entire confidence in his assurance; and so sent messenger to Vera Cruz to find out if the Governor's statement was correct. As I had apprehended, it turned out that his story of placing the funds to his credit in the Custom House at Vera Cruz was without the slightest foundation in truth. Thereupon, my Agent called on that gentleman and remonstrated against such a flagrant deception; on which the latter, with exquisite humor, accompanied by gay gestures and facial expression, admitted that he had no money at Vera Cruz, and was aware of that fact when he so informed me; that he had only resorted to this deception to get rid of me, and would not have done so had he thought I would send a messenger to Vera Cruz to ascertain the truth of his statement, instead of going there myself—rightly thinking that I would not return to further solicit him, after having reached Vera Cruz on my way home.

INSUFFICIENCY OF THE TREATY.

The Mexican Government has not since improved in its disposition or course toward myself and the other American creditors whose claims I have been relating. Justice for myself and these, from that Government, remains to be sought by other and more effectual means than any to which we have yet had recourse. For

the treaty, above mentioned, which was looked to as a comprehensive and satisfactory measure of relief turns out to be no remedy at all. Its jurisdiction is stated in obscure or ambiguous language, of which the Mexican Government will doubtless take full advantage. The rules of the Commission appointed to pass upon claims presented for settlement, under this treaty, are arbitrary, oppressive, and difficult to be complied with, and seem to have been contrived for the express purpose of preventing American claimants from deriving any benefit from the treaty. Some other remedy must, therefore, be sought.

CONCLUSION.

And now I have brought to a close this statement, (which has necessarily exceeded the limits originally intended;) in which I have aimed to describe my connection with the Government of Mexico as its Agent in this country; and the truth of which, in every particular, I can substantiate by documentary proof in my possession, and the testimony of many living witnesses of good repute in this country.

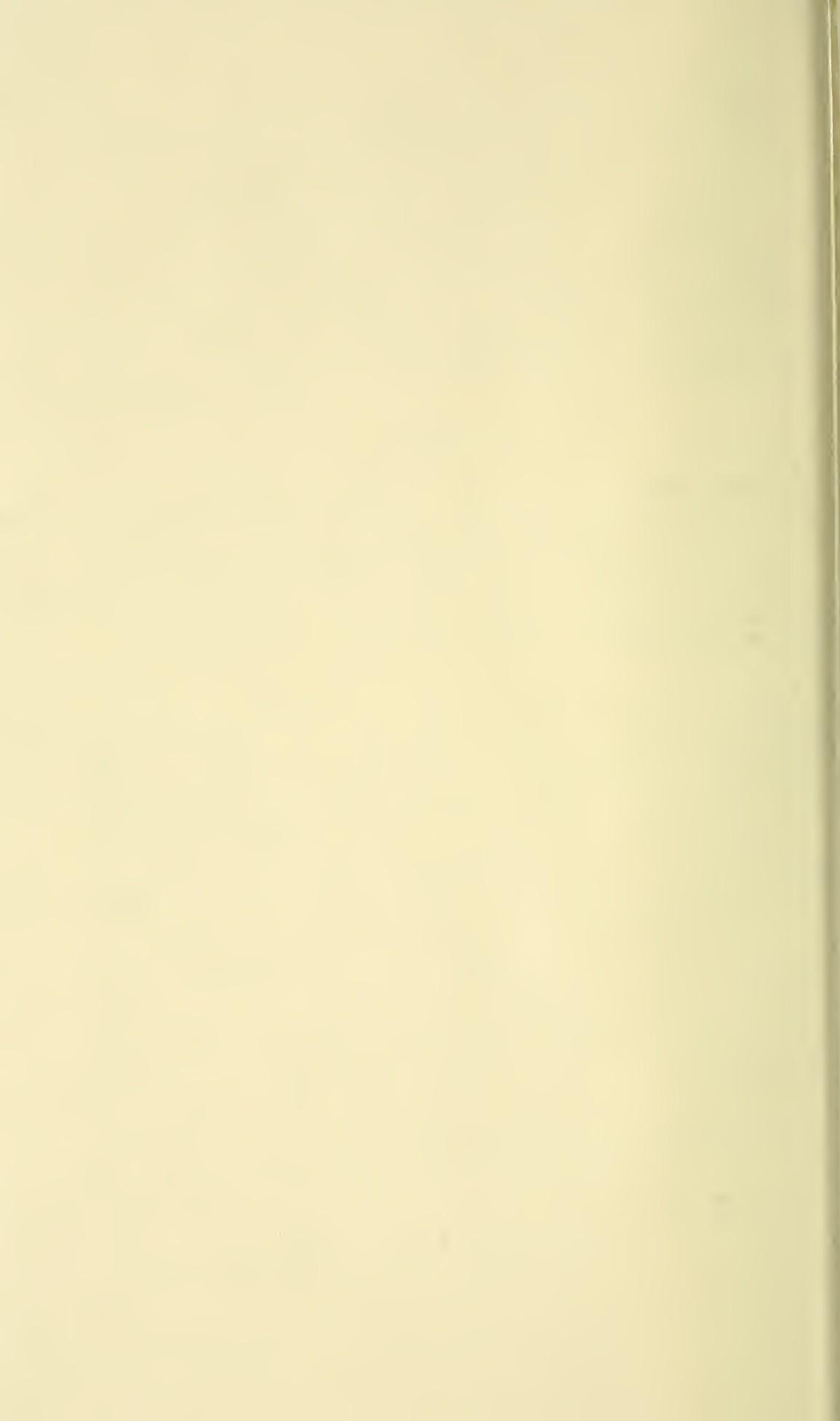
I have confined myself strictly to facts; and have sought to present to the public an intelligible statement of the promises and pledges, by means of which the Government of the Mexican Republic was successful in obtaining material aid in behalf of its cause from citizens of the United States; the extent and importance of that aid; and the violation by that Government of its obligations to its creditors in this country for the aid so obtained.

I think I have demonstrated that the present Government of Mexico, of which so much was expected, and which was at one time so highly extolled, is no more worthy of confidence, or actuated by just motives, than the average of its predecessors; and that no citizen of this country can hope to receive voluntarily accorded justice from that Government.

American creditors of the Mexican Government have, therefore, but one reliance for redress left them—the Government of the United States.

H. STURM.

INDIANAPOLIS, 15th November, 1869.



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